

### SUBMIT IN TRIPLICATE (Other instructions on

Form approved. Budget Bureau No. 1004-0136 Expires December 31, 1991

5. LEASE DESIGNATION AND SERIAL NO.

## UNITED STATES DEPARTMENT OF THE INTERIOR

reverse side)

|   | U-4462   |   |  |  |   |
|---|--|---|--|--|---|
| Ä   | APPLICATION F  | OR PERMIT T                                       | TO DRILL OR DEE  | PEN  | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME<br>NA                  |
| 1a. TYPE OF WORK                                |  | DEFENSE   |  |  | 7. UNIT AGREEMENT NAME                                      |
| b. TYPE OF WELL                                 | DRILL X  | DEEPEN [  |  |  | ISLAND  |
| OIL GAS<br>WELL WELL                            | Т отне   | :R  | SINGLE<br>ZONE   | MULTIPLE ZONE  | 8. FARM OR LEASE NAME, WELL NO.                             |
| 2. NAME OF OPERATOR                             | ₹  |   |  |  | ISLAND UNIT NO. 60  |
| WEXPRO CO                                       | MPANY  |   |  |  |   |
| 3. ADDRESS AND TELE                             | PHONE NO.  |   | 111 1111 1111  |  | PENDING   |
| P O BOX 458                                     | ROCK SPRINGS, W  | V 82902 (307)                                     | 382-9791   |  | 10. FIELD AND POOL, OR WILDCAT                              |
|   | LL (Report location clearly ar                           |   |  | -11-0 -1   | ISLAND UNIT   |
| At surface                                      |  | ' FSL, NE SE 7-10S                                | -20E 447   | 71020 M  | 11. SEC., T., R., M., OR BLK.                               |
| At proposed prod. z                             | one 600' FEL, 1500'                                      | FNL, SE NE 7-10S-                                 | 20E (s   | 24030 N<br>10863 E   | AND SURVEY OR AREA 7-10S-20E                                |
| 14. DISTANCE IN MILES                           | AND DIRECTION FROM NEARES                                | ST TOWN OR POST OFFICE                            | *  |  | 12. COUNTY OR PARISH 13. STATE                              |
| Approximate                                     | ely 20 miles southwest                                   | of Ouray, Utah                                    |  |  | UINTAH UTAH   |
| 15. DISTANCE FROM LOCATION TO NE                |  |   | 16. NO. OF ACRES IN LEASE  | 17. NO. OF ACRES ASS<br>TO THIS WELL                                   | IGNED   |
| PROPERTY OR LE                                  | ASE LINE, FT.  | 1017'   | 1970.2   |  |   |
| (Also to nearest dri<br>18. DISTANCE FROM       | DRODOSED LOCATIONS                                       |   | 19. PROPOSED DEPTH   | NA<br>20. ROTARY OR CABLE  | TOOLS   |
| TO NEAREST WE                                   | L., DRILLING, COMPLETED<br>ON THIS LEASE, FT.            | 1500'   | 7810' TVD  | Rotary   |   |
|   | w whether DF, RT, GR. etc.)                              | J.  |  | 22.  | APPROX, DATE WORK WILL START*                               |
| GR 5088'  |  |   |  |  | Upon approval   |
| 23.   |  | PROPOSED CAS                                      | SING AND CEMENTING PROGR   | AM   |   |
| SIZE OF HOLE                                    | GRADE, SIZE OF CASING                                    | WEIGHT PER FOO                                    | T SETTING DEPTH  |  | QUANTITY OF CEMENT  |
| 12-1/4"   | 9-5/8", K-55   | 36#   | 300'   | Please refer to dr   |   |
| 7-7/8"  | 4-1/2", N-80   | 11.6#   | 8310'  | Please refer to dr   | illing plan   |
| under the terms and is provided by Nat          | d conditions of the least<br>ionwide Bond No. SL6        | se for the operation                              | the operator of the above<br>s conducted upon the leas<br>and No. ES0019.  |  |   |
| Directional                                     | l dri II <sup>e</sup>                                    |   |  | RECE   | IVED  |
|   |  |   |  | FEB 1  | 4 2000  |
|   |  |   |  | 50000  | سر با پاس   |
| IN ABOVE SPACE DI                               | ESCRIBE PROPOSED PRO                                     | OGRAM: If proposal is osurface locations and meas | to deepen, give data on present<br>ured and true vertical depths. Give l   | DIVISIO OIL, GAS Af productive zone and pro blowout preventer program, | ND MINING posed new productive zone. If proposal if any.    |
| SIGNED  | MINO   |   | G. T. Nimmo, C   | Operations Manage  | DATE <u>02/100</u>  |
| (This space for F                               | ederal or State office use) 43-047-33                    | 479   | APPROVAL DATE  |  |   |
|   | al does not warrant or celify that the approval, or Any: |   |  |  | the applicant to conduct operations thereon.  DATE 3 23 000 |
| Title 18 U.S.C. Section United States any false | 1001, makes it a crime for fictitious or fraudulent stat | any person knowingly a                            | tinuctions On Reverse Store Applications on Reverse Store Applications on the Company of the Com | IN SPECIALIST II<br>partment or agency of th                           | 1   |

Federal Approval of this Action is Necessary

#### WEXPRO COMPANY T10S, R20E, S.L.B.&M. Well location, ISLAND UNIT #60, located as shown in the NE 1/4 SE 1/4 of Section S88\*51'E - 96.86 (G.L.O.) 7. T10S. R20E. S.L.B.&M. Uintah County. Utah. BASIS OF FLEVATION 0 SPOT ELEVATION IN THE NE 1/4 SW 1/4 OF SECTION 12. TIOS. R19E. S.L.B.&M. TAKEN FROM THE BIG Lot 1 500 PACK MTN. NW. QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR. ð, GEOLOGICAL SURVEY, SAID ELEVATION IS MARKED AS BFING 5125 FEET. Bottom Hole \$\Phi\_{600}\$ N00.45'W N00.48'W Lot 2 Brass Cap 1928 Brass Cap 1.2' High, Pile Bearings) of Stones ISLAND UNIT #60 1017 Elev. Ungraded Ground = 5088 Lot 3 (Basis SCALE CERTIFICATE THIS IS TO CERTIFY THAT THE ABOVE PLATYWAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADELBY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT T BEST OF MY KNOWLEDGE AND BELIEF Lot 4 NO0.48 Brass Cap REGISTRATION, NO. 161319 Brass Coo Brass Cap N88'44'37"W 3801.43' (Meas.) N88"58'35"W 2635.18' (Meas.) UINTAH ENGINEERING & LAND 85 SOUTH 200 EAST - VERNAL, UTAH 84078 (435) 789-1017 LEGEND: SCALE DATE SURVEYED: DATE DRAWN: 1" = 100012-13-99 12-29-99 = 90° SYMBOL 1ATITUDE = 39.57.39" REFERENCES PARTY = PROPOSED WELL HEAD. D.A. T.A. C.B.T. G.L.O. PLAT LONGITUDE = 109'42'06" = SECTION CORNERS LOCATED. WEATHER COOL WEXPRO COMPANY

### Drilling Plan Wexpro Company Island Unit Well No. 60 Uintah County, Utah

1. SURFACE FORMATION, ESTIMATED TOPS AND WATER, OIL, GAS OR MINERAL BEARING FORMATIONS:

| Formation            | TVD<br>Depth | Remarks                  |
|----------------------|--------------|--------------------------|
| Uintah               | Surface      |                          |
| Green River          | 1,430'       | Gas, Secondary Objective |
| Kick Off Point       | 1,950'       |                          |
| Birds Nest Aquifer   | 2,395'       |                          |
| Wasatch Tongue       | 4,415'       |                          |
| Green River Tongue   | 4,765'       | Gas, Secondary Objective |
| Wasatch              | 4,915'       | Gas, Secondary Objective |
| Lower Wasatch Marker | 7,005'       | Gas, Primary Objective   |
| Total Depth          | 7,810'       |                          |

All fresh water and prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected.

2. PRESSURE CONTROL EQUIPMENT: (See attached diagram) Operator's minimum specifications for pressure control equipment require an 11-inch 3000 psi double gate hydraulically operated blowout preventer and an 11-inch 3000 psi annular preventer. BOP equipment will be tested to its rated working pressure or 70-percent of the internal yield of the surface casing. The annular preventer will be tested at 50-percent of its rated working pressure. NOTE: The surface casing will be pressure tested to a minimum of 1500 psi. BOP's will be checked daily as to mechanical operating condition and will be tested by rig equipment after each string of casing is run. All ram type preventers will have hand wheels which will be operative and accessible at the time the preventers are installed.

### AUXILIARY EQUIPMENT:

a. Manually operated kelly cock

b. No floats at bit

c. Monitoring of mud system will be visual

d. Full opening floor valves in the full open position, capable of fitting all drill stem connections manually operated

### CASING PROGRAM:

| Size   | Top | Bottom    | Weight | Grade | Thread | Condition |
|--------|-----|-----------|--------|-------|--------|-----------|
| 9-5/8" | sfc | 300'      | 36     | K55   | STC    | New       |
| 4-1/2" | sfc | 8,310' MD | 11.6   | N80   | LTC    | New       |

| Casing Strengths: |          |     | Collapse | Burst     | Tensile<br>(minimum) |             |
|-------------------|----------|-----|----------|-----------|----------------------|-------------|
| 9-5/8"            | 36 lb.   | K55 | STC      | 2,020 psi | 3,520 psi            | 423,000 lb. |
| 4-1/2"            | 11.6 lb. | N80 | LTC      | 6,350 psi | 7,780 psi            | 223,000 lb  |

### **CEMENTING PROGRAMS:**

9-5/8-inch Surface Casing: 300 feet of Class G with 3% CaCl<sub>2</sub> (1/4% celloflake will only be used if lost circulation is encountered).

4-1/2-inch Production Casing: 5000 feet of 50/50 Poz-gel followed by 3100 feet of Class G with reducer and fluid loss additives, if needed.

4. MUD PROGRAM: Fresh water with gel sweeps will be used from surface to 300 feet. Fresh water with 2% KCL will be used from 300 feet to total depth.

Sufficient mud materials to maintain mud properties, control lost circulation and to contain blowout will be available at the wellsite.

No chrome constituent additives will be used in the mud system on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

5. LOGGING: Electric Logs will be run as deemed necessary.

**TESTING: None** 

CORING: None

- 6. ABNORMAL PRESSURE AND TEMPERATURE: No abnormal pressures are anticipated. A BHT of 137 degrees F and a BHP of 2900 psi are expected.
- 7. ANTICIPATED STARTING DATE: Upon Approval

DURATION OF OPERATION: 15 days

# WEXPRO COMPANY

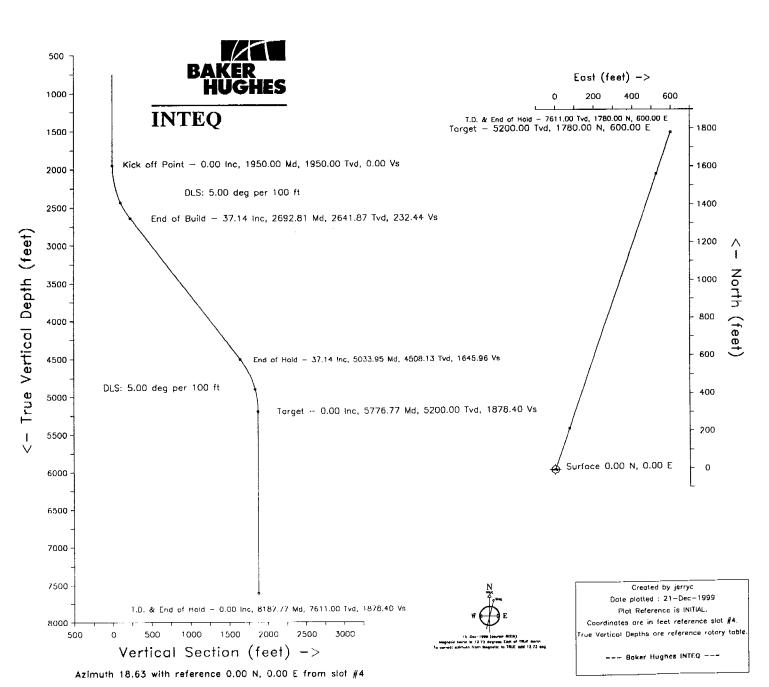
Structure: SEC.7-T10S-R20E

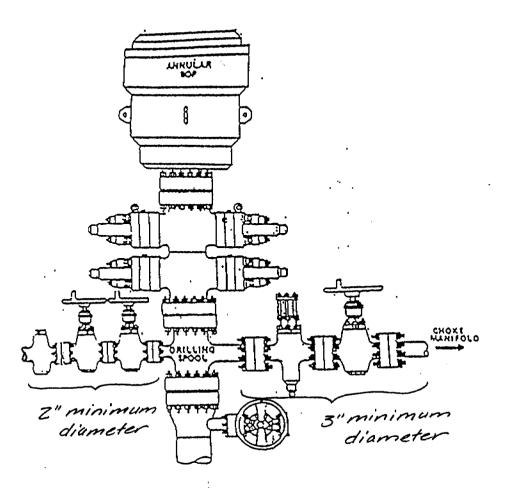
Well: ISLAND UNIT #60

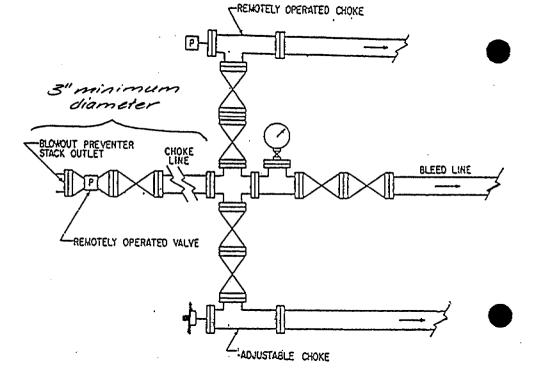
Field: UINTAH COUNTY

Location : UTAH

|                    | WE      | LL F  | PROF  | TILE    | DAT      | Α -    |         | _       |
|--------------------|---------|-------|-------|---------|----------|--------|---------|---------|
| Point              | MD      | Inc   | Dir   | TVD     | North    | East   | V. Sect | Deg/100 |
| Tie on             | 0.00    | 0.00  | 18.63 | 0.00    | 0.00     | 0.00   | 0.00    | 0.00    |
| кор                | 1950.00 | 0.00  | 18.63 | 1950.00 | 0.00     | 0.00   | 0.00    | 0.00    |
| End of Build       | 2692.81 | 37.14 | 18.63 | 2641.87 | 220.27   | 74.25  | 232.44  | 5.00    |
| End of Hold        | 5033.95 | 37.14 | 18.63 | 4508.13 | 1559.73  | 525.75 | 1645.96 | 0.00    |
| Target             | 5776.77 | 0.00  | 18.63 | 5200.00 | 1780.00  | 600.00 | 1878.40 | 5.00    |
| T.D. & End of Hold | 8187.77 | 0.00  | 18.63 | 7611.00 | 1,780.00 | 600.00 | 1878.40 | 0.00    |







WEXPRO/CELSIUS, 5K psi Blowout Prevention Equipment

Note: Vent Lines will be on a downward grade from choke manifold to pit and anchored securely

Choke Manifold System

### Surface Use and Operations Wexpro Company Island Unit Well No. 60 Uintah County, Utah

### 1. <u>Existing Road</u>:

- A. <u>Proposed Well Site as Staked</u>: Refer to well location plat and area map.
- B. <u>Proposed Access Route</u>: Refer to general area map. All access roads are within lease boundaries.
- C. <u>Plans for Improvement and/or Maintenance</u>: All existing roads utilized will be maintained in their present condition and no improvements will be made.

### 2. Planned Access Roads:

- A. Approximately 0.4 miles of new road construction is anticipated. The road will be crowned and ditched with a 16 foot running surface. Construction of the access road will necessitate a 30-foot wide right-of-way (maximum disturbance).
- B. Maximum grade: Will not exceed 8 percent.
- C. Turnouts: Water turnouts will be constructed as required to divert runoff water from the road ditch in such a manner as to not cause erosion.
- D. Location (centerline): Access road has been staked and flagged. Surface disturbance and vehicular travel will be limited to the approved access route, additional area needed will be approved in advance.
- E. Surface materials: Surface materials will be obtained from cuts along the access road and location. Spot surfacing may be required to maintain the running surface.
- F. Any topsoil (approximately 6-inches) removed in conjunction with road construction will be spread in the borrow ditches or windrowed to the side. Borrow areas will be seeded as discussed in reclamation procedures.
- 3. <u>Location of Existing Wells</u>: Refer to area map for the location of existing wells within a one-mile radius.
- 4. <u>Location of Existing and/or Proposed Facilities</u>: Refer to area maps. Layout of new facilities will be submitted via sundry Notice prior to installation.

All permanent (onsite for six months or longer) structures constructed or installed will be painted Desert Brown, a flat, non-reflective, earthtone color to match the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within six months of installation. Facilities required to comply with Occupational Safety and Health Act will be excluded.

If a tank battery is constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain one-and-a-half times the storage capacity of the battery.

Facilities will be applied for via Sundry Notice prior to installation.

All loading lines will be placed inside the berm surrounding the tank battery.

All site security guidelines identified in 43 CFR 3162.7 regulations will be adjered to.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from Authorized Officer.

Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and anchored securely downstream of the meter run or any production facilities. Meter runs will be housed and/or fenced.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new installations and at least quarterly thereafter. The Authorized Officer will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with the API standards for liquid hydrocarbons and the AGA standard for natural gas measurement.

The proposed pipeline will be constructed and operated by Questar Gas Management Company. The pipeline will be approximately 960 feet in length. The proposed surface pipeline will be 3.5-inch O.D., Grade B or X-42 with a 0.288-inch wall thickness. The width of the right-of-way requested is 50 feet for construction and will revert to 30 feet for operation and maintenance purposes. The pipeline will be either brown or black in color.

The maximum operating pressure that the natural gas pipeline is designed for is 1170 psig. Associated facilities include above ground valving and piping at the lateral junctions.

- 5. <u>Location and Type of Water Supply</u>: Water will be hauled by tank trucks from the William E. Brown water well located in Section 32-T6S-R20E, Water Use Claim #43-9077, Application #t20262.
- 6. <u>Source of Construction Materials</u>: All materials will be derived from cuts at the location and along the access road. Construction material will be located on lease.
- Methods for Handling Water Disposal: Cuttings and drilling fluids will be placed in an unlined mud pit which will be constructed with at least one half of its holding capacity below ground level. The mud pit will be fenced on three sides with a sheep-tight fence of woven wire prior to the onset of drilling. Immediately upon completion of drilling, the fourth side will be fenced and the liquids allowed to evaporate. The fence will be maintained until restoration. Any produced liquids will be contained in test tanks and hauled out by tank trucks. Garbage and other waste materials will be placed in a trash cage, the contents of which will be disposed of in the nearest legal landfill. Portable sewage facilities will be utilized for the disposal of human waste.

Produced waste water will be confined to an unlined pit for a period not to exceed 90 days after initial production. During the 90 day period an application for approval of a permanent disposal method and location will be submitted for the Authorized Officer's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance, and will be grounds for issuing a shut-in order.

- 8. <u>Ancillary Facilities</u>: Camp facilities will not be required.
- 9. Wellsite Layout: Refer to drawing.
- 10. <u>Plans for Restoration of the Surface</u>: During construction, all woody vegetation and the top six-inches of topsoil material will be removed from the pad and stockpiled separately. All pits will remain fenced until cleanup begins. Overhead flagging will be installed if oil is in the mud pit.

Immediately upon completion of drilling, the location and surrounding area will be cleared of all debris, materials, trash and junk not required for production. The reserve pit and that portion of the location and access road not needed for production or production facilities will be reclaimed.

Before any dirt work to restore the location takes place, the reserve pit will be completely dry and all cans, barrels, pipe, etc. will be removed. All disturbed areas will be recontoured to the approximate natural contours to the satisfaction of the Authorized Officer.

The stockpiled topsoil will be evenly distributed over the disturbed areas. Prior to reseeding, all disturbed areas, including the access roads, will be scarified and left with a rough surface. Reseeding will be done in the Fall before ground frost.

A seed drill equipped with a regulator will be required. Seed will be drilled 1/4-1/2 inch deep on the contour using a seed mixture specified by the Bureau of Land Management.

Where drilling is not possible a broadcast/rake method will be used doubling the seed mixture.

- 11. <u>Surface and Mineral Ownership</u>: Surface ownership along the access road is federal and surface ownership at the wellsite is federal.
- 12. <u>Other Information</u>: Greg Darlington of the Bureau of Land Management, Bookcliffs Resource Area, in Vernal, Utah will be notified at least 72-hours prior to commencement of both construction and reclamation operations.

A Class III Cultural Resource Inventory has been completed and the report forwarded to the Bureau of Land Management. If any cultural resources are found during construction, all work will stop, and the Authorized Officer will be notified.

No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

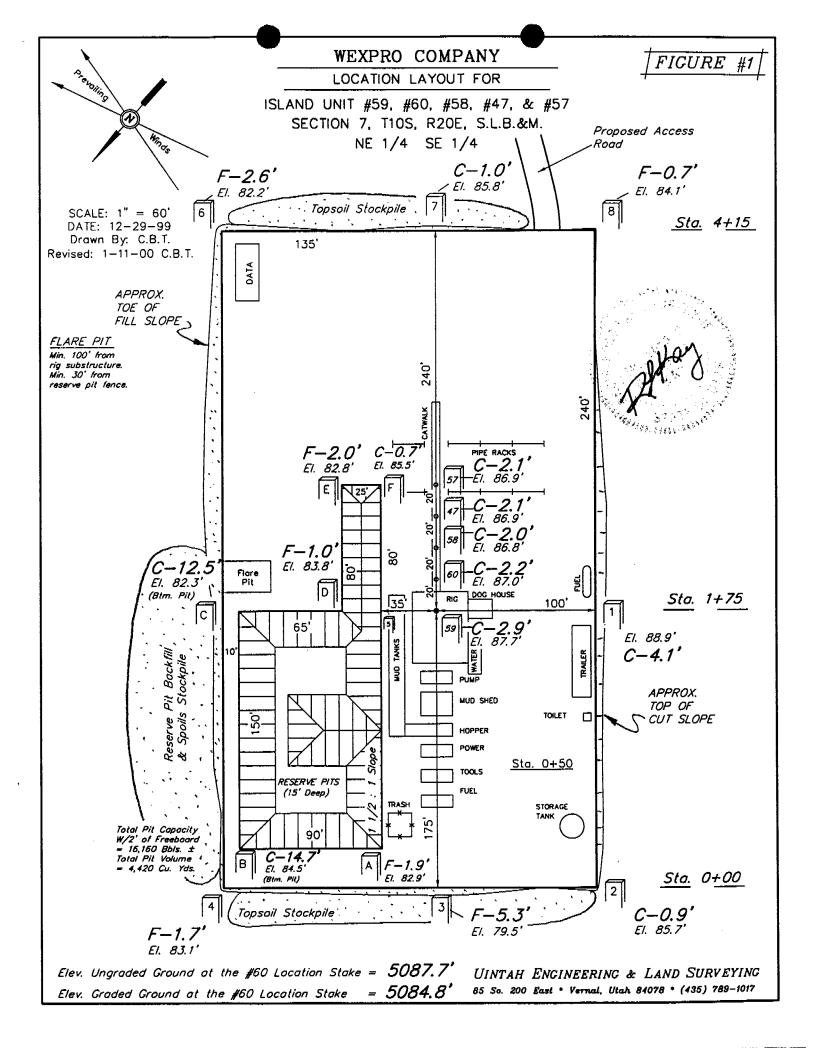
- 13. Lessee's or Operators Representative and Certification:
  - G. T. Nimmo, Operations Manager, P. O. Box 458, Rock Springs, Wyoming 82902, telephone number (307) 382-9791.

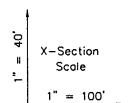
### **Certification:**

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions which currently exist, that the statements made in the plan area, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Wexpro Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Date: 01/100 Name UMyssus

G. T. Nimmo, Operations Manager



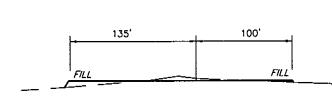


DATE: 12-29-99 Drawn By: C.B.T. Revised: 1-11-00 C.B.T.

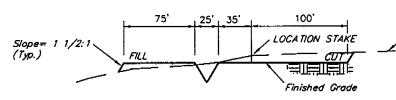
### WEXPRO COMPANY

### TYPICAL CROSS SECTIONS FOR

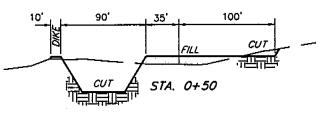
ISLAND UNIT #59, #60, #58, #47, & #57 SECTION 7, T10S, R20E, S.L.B.&M. NE 1/4 SE 1/4

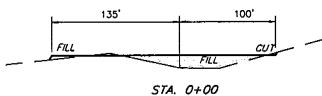


STA. 4+15



STA. 1+75





### NOTE:

Topsoil should not be Stripped Below Finished Grade on Substructure Area.

### APPROXIMATE YARDAGES

CUT

(6") Topsoil Stripping

= 1,810 Cu. Yds.

Remaining Location

= 6,940 Cu. Yds.

TOTAL CUT

= 8,750 CU.YDS.

FILL

4,490 CU.YDS.

## | FIGURE #2

EXCESS MATERIAL AFTER

5% COMPACTION

4,020 Cu. Yds.

Preconstruction Grade

Topsoil & Pit Backfill (1/2 Pit Vol.)

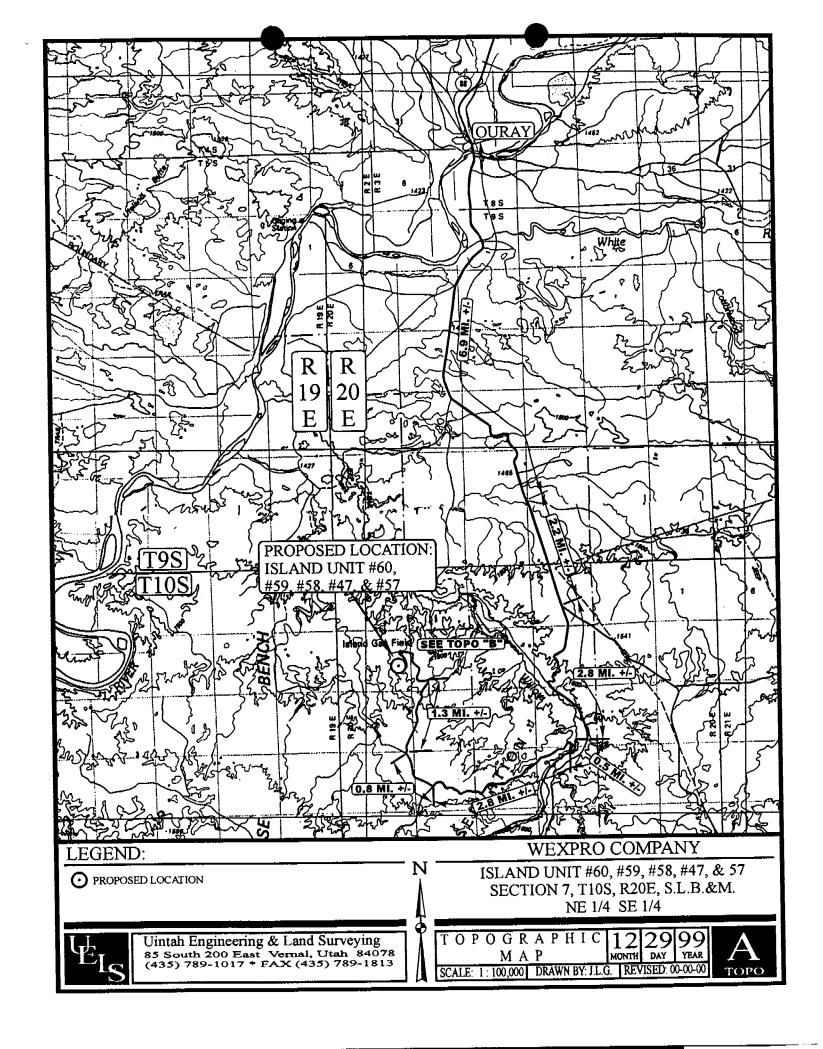
4,020 Cu. Yds.

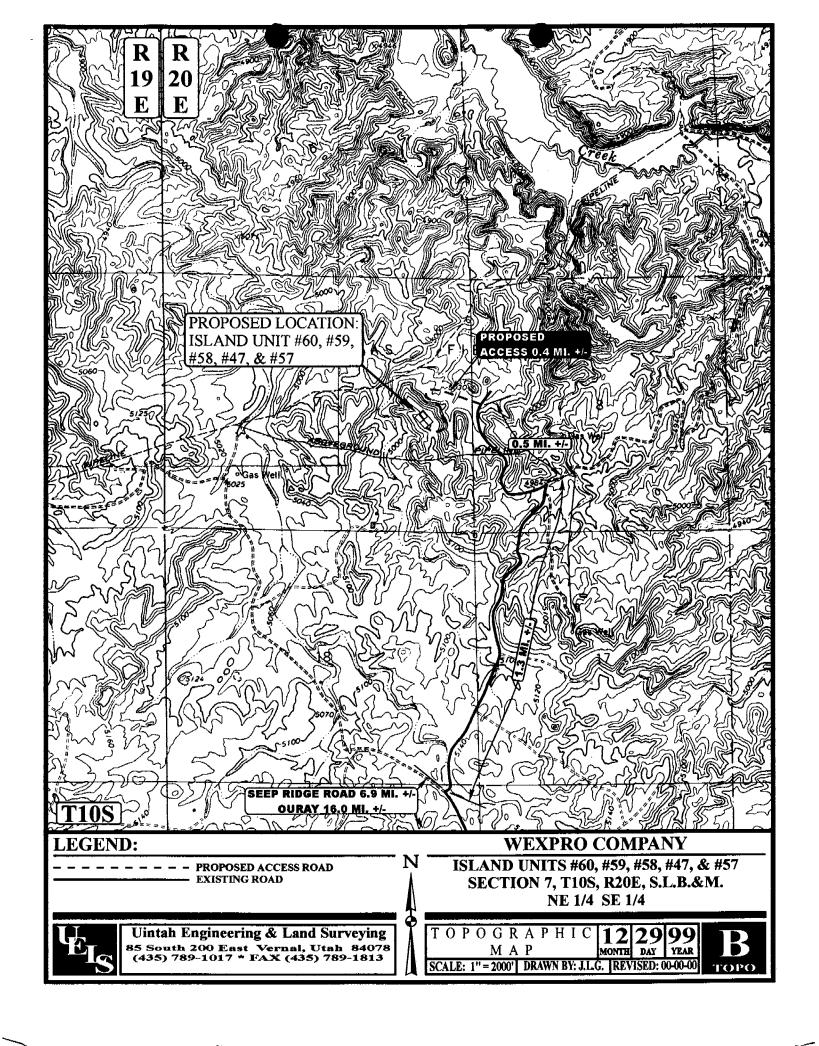
EXCESS UNBALANCE

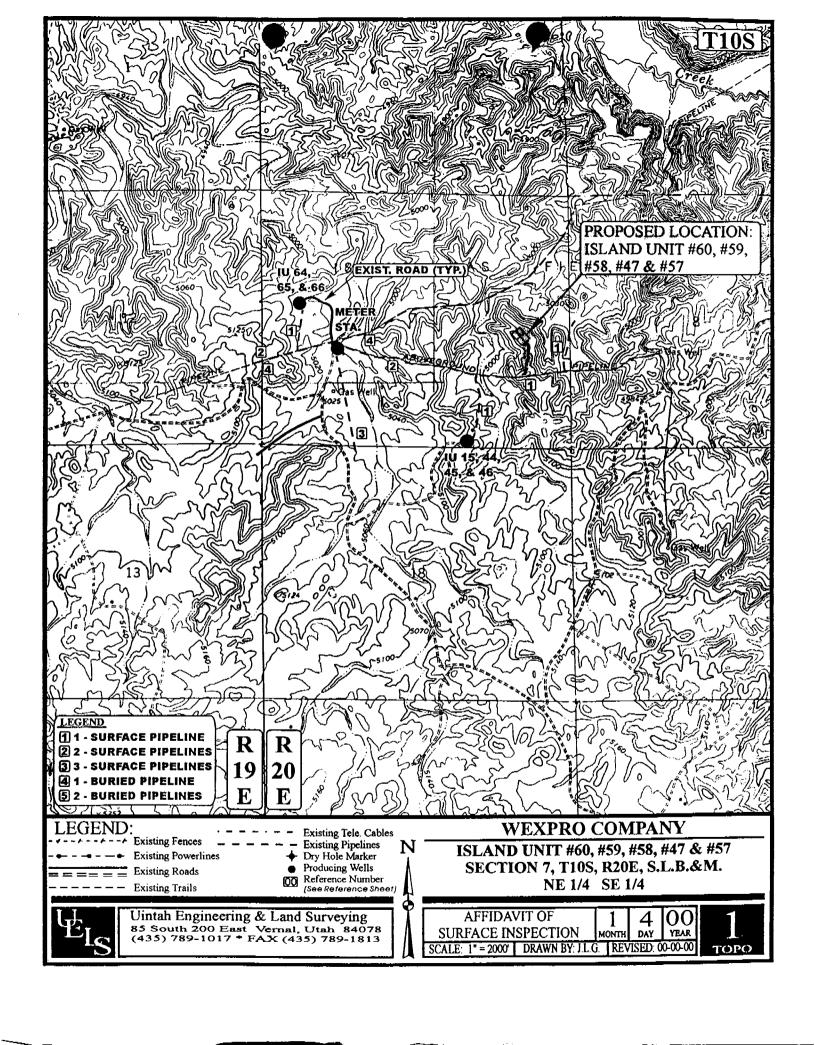
(After Rehabilitation)

O Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING 85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

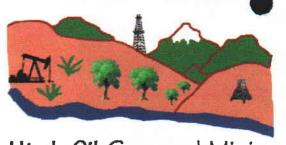






| APD RECEIVED: 02/14/2000   | API NO. ASSIGNED: 43-047-33479   |
|--|--|
| WELL NAME: ISLAND UNIT 60  OPERATOR: WEXPRO COMPANY ( N1070 )  CONTACT: G T NIMMO  | AMENDED  PHONE NUMBER: 307-382-9791  |
| PROPOSED LOCATION:  SENE 07 100S 200E  SURFACE: 2396 FNL 0552 FEL  SENE BOTTOM: 1500 FNL 0600 FEL  UINTAH  NATURAL BUTTES (630)  LEASE TYPE: 1-Federal  LEASE NUMBER: U-4482  SURFACE OWNER: 1-Federal  PROPOSED FORMATION: WSTC   | INSPECT LOCATN BY: / /  Tech Review Initials Date  Engineering  Geology  Surface |
| RECEIVED AND/OR REVIEWED:  Plat Bond: Fed[1] Ind[] Sta[] Fee[]  (No. ES0019  Potash (Y/N)  Oil Shale (Y/N) *190 - 5 (B)  Water Permit  (No. 43-9077  NORDCC Review (Y/N)  (Date:  NA Fee Surf Agreement (Y/N)  | LOCATION AND SITING:   |
| COMMENTS: Ned add'linfo. "Direct. Direct. Dire | d." (hed 5-1-00)   |

| APD RECEIVED: 02/14/2000   | API NO. ASSIGNED: 43-047-33479  |
|--|---|
| WELL NAME: ISLAND U 60  OPERATOR: WEXPRO COMPANY ( N1070 )  CONTACT: G T NIMMO   | PHONE NUMBER: 307-382-9791  |
| PROPOSED LOCATION:  NESE 07 100S 200E  SURFACE: 2344 FSL 1017 FEL  SEME BOTTOM: 1500 FNL 0600 FEL  UINTAH  NATURAL BUTTES (630)  LEASE TYPE: 1-Federal  LEASE NUMBER: U-4482  SURFACE OWNER: 1-Federal  PROPOSED FORMATION: WSTC | INSPECT LOCATN BY: / /  Tech Review Initials Date  Engineering Geology  Surface |
| RECEIVED AND/OR REVIEWED:  Plat Bond: Fed[1] Ind[] Sta[] Fee[] (No. ES0019  Potash (Y/N)  Y O'tl Shale (Y/N) *190 - 5 (B)  Water Permit (No. 43-9077  N RDCC Review (Y/N) (Date: )  N/A Fee Surf Agreement (Y/N)                 | LOCATION AND SITING:  |
| STIPULATIONS: (1) FEDERA Apar<br>2) Cil Shale<br>3) Surtalinal   | " (hid 3-22-00)   |



## Utah Oil Gas and Mining

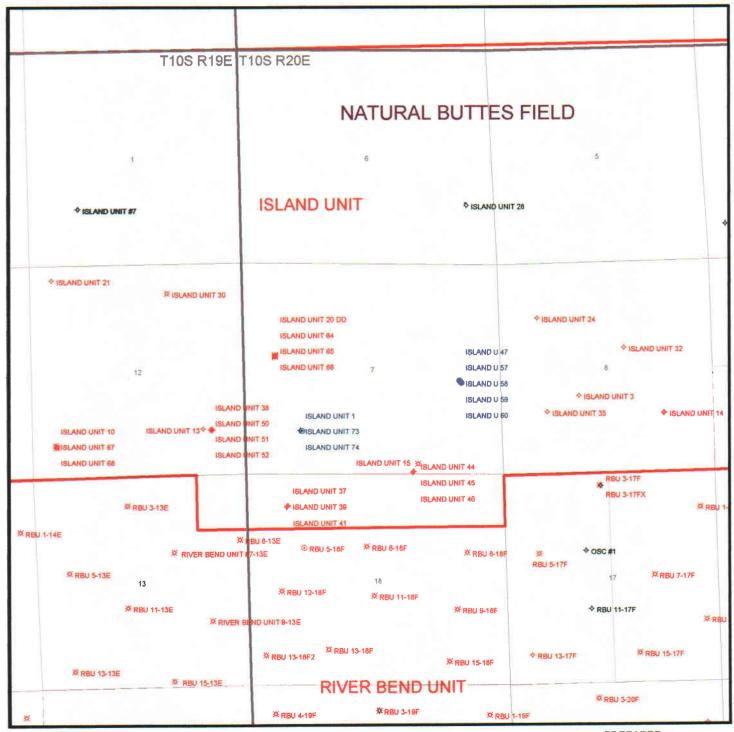
Serving the Industry, Protecting the Environment

OPERATOR: WEXPRO COMPANY (N1070)

FIELD: NATURAL BUTTES (630)

SEC. 7, T 10 S, R 20 E

COUNTY: UINTAH UNIT: ISLAND



PREPARED DATE: 16-Feb-2000 Form 3160-5 (June 1990)

# UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED

| Budget | Bureau | No. | 1004-0135 |
|--------|--------|-----|-----------|
|        | 4 -    |     |           |

|    |    |   |     | Exp | 1,65 | Ma   | rch | 31, | 1993 |   |
|----|----|---|-----|-----|------|------|-----|-----|------|---|
| LΕ | Α£ | E | DES | KGN | ATK  | )N A | ŃΩ  | SF  | RIAI | N |

| . LEASE DESIGNATION AND SERIAL NO |  |
|-----------------------------------|--|
| T 440A                            |  |
| J-4482                            |  |

|  |   | U-4482  |
|--|---|---|
| SUNDRY NOTICES AN  |   | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME  |
|  | or to deepen or reentry to a different re   |   |
| Use "APPLICATION FOR F   | PERMIT - 1 for such proposals   | NA 7. IF UNIT OR CA. AGREEMENT DESIGNATION  |
| SUBMIT IN TR   | IDI ICATE   | 7. IF ONLY ON CA. AGREEMENT DESIGNATION   |
| TYPE OF WELL   | II DIONID   | ISLAND  |
| OIL GAS WELL X WELL TOTHER   |   | 8. WELL NAME AND NO.  |
| WELL X WELL OTHER  |   | ISLAND UNIT NO. 60  |
| WEXPRO COMPANY   |   | 9. API WELL NO.   |
| DORESS AND TELEPHONE NO. P. O. BOX 458, ROCK SPRINGS, WY 82  | 2902 (307) 3 <b>8</b> 2-9791  | 43-047-Pending  10. FIELD AND POOL OR EXPLORATORY ARE   |
| OCATION OF WELL (FOOTAGE, SEC., T., R., M., OR SURVE)  |   | ISLAND  |
| constant of same to consum and the billion of an annual  |   | 11. COUNTY OR PARISH, STATE   |
| )17' FEL, 2344' FSL, NE SE 7-10S-20E (S  |   |   |
| 0' FEL, 1500' FNL, SE NE 7-10S-20E (Be   |   | UINTAH COUNTY, UTAH   |
| CHECK APPROPRIATE BOX(S  | ) TO INDICATE NATURE OF NOTICE, R   | EPORT, OR OTHER DATA  |
| TYPE OF SUBMISSION   |   | OF ACTION   |
| X Netice of Intent   | Abendonment   | Change in Plene New Construction  |
| Subsequent Report  | Plugging Back   | Non-Routine Fractisting   |
|  | Gasing Repair   | Weter Shut-Off  |
| Final Abandenment Notice   | Attering Casing   | Conversion to Injection   |
|  | X Other Amend APD Filing  | Olepose Water   |
| · · · · · · · · · · · · · · · · · · ·  |   | Chale: Report results of multiple completion on Well<br>Completion or Recompletion Report and Log form.)  |
| subsurface locations and measured and true vertical depths for   |   | starting any proposed work. If well is directionally drilled, give  |
| requested in the seven day letter, the minir The 9-5/8-inch O.D., 36#, K-55. ST&C c and 1/4% Cello Flake, if needer The 4-1/2-inch O.D., 11.6#, N-80, 8 rd the   | r all markers and zones portinent to this work.)*  num amount of cement to be used by volume asing will be cemented with 222 cubic feet o                                     | starting any proposed work. If well is directionally drilled, give is as follows: f Class G coment with 3% CaCl <sub>2</sub>  |
| requested in the seven day letter, the minir The 9-5/8-inch O.D., 36#, K-55. ST&C c and 1/4% Cello Flake, if needer The 4-1/2-inch O.D., 11.6#, N-80, 8 rd tf 700 cubic feet of Class G.   | num amount of cement to be used by volume asing will be cemented with 222 cubic feet o  | is as follows:  f Class G cement with 3% CaCl <sub>2</sub> country of the c |
| requested in the seven day letter, the minir The 9-5/8-inch O.D., 36#, K-55. ST&C c and 1/4% Cello Flake, if needer The 4-1/2-inch O.D., 11.6#, N-80, 8 rd tf 700 cubic feet of Class G.   | num amount of cement to be used by volume asing will be cemented with 222 cubic feet od.  hrd, LT&C casing will be cemented with 120  | is as follows:  f Class G cement with 3% CaCl <sub>2</sub> country of the c |
| requested in the seven day letter, the minir The 9-5/8-inch O.D., 36#, K-55. ST&C c and 1/4% Cello Flake, if needer The 4-1/2-inch O.D., 11.6#, N-80, 8 rd tf 700 cubic feet of Class G.   | num amount of cement to be used by volume asing will be cemented with 222 cubic feet od.  hrd, LT&C casing will be cemented with 120  | is as follows:  f Class G cement with 3% CaCl <sub>2</sub> country of the c |
| requested in the seven day letter, the minir The 9-5/8-inch O.D., 36#, K-55. ST&C c and 1/4% Cello Flake, if needer The 4-1/2-inch O.D., 11.6#, N-80, 8 rd the 700 cubic feet of Class G.  | num amount of cement to be used by volume asing will be cemented with 222 cubic feet od.  hrd, LT&C casing will be cemented with 120  | is as follows:  f Class G cement with 3% CaCl <sub>2</sub> country of the c |
| requested in the seven day letter, the minir The 9-5/8-inch O.D., 36#, K-55. ST&C c and 1/4% Cello Flake, if needer The 4-1/2-inch O.D., 11.6#, N-80, 8 rd tf 700 cubic feet of Class G.   | num amount of cement to be used by volume asing will be cemented with 222 cubic feet od.  hrd, LT&C casing will be cemented with 120  | is as follows:  f Class G cement with 3% CaCl <sub>2</sub> country of the c |
| requested in the seven day letter, the minir The 9-5/8-inch O.D., 36#, K-55. ST&C c and 1/4% Cello Flake, if needer The 4-1/2-inch O.D., 11.6#, N-80, 8 rd tf 700 cubic feet of Class G.   | num amount of cement to be used by volume asing will be cemented with 222 cubic feet od.  hrd, LT&C casing will be cemented with 120  | is as follows:  f Class G cement with 3% CaCl <sub>2</sub> country of the c |
| requested in the seven day letter, the minir The 9-5/8-inch O.D., 36#, K-55. ST&C c and 1/4% Cello Flake, if needer The 4-1/2-inch O.D., 11.6#, N-80, 8 rd tf 700 cubic feet of Class G.   | num amount of cement to be used by volume asing will be cemented with 222 cubic feet od.  hrd, LT&C casing will be cemented with 120  | e is as follows:  f Class G cement with 3% CaCl <sub>2</sub> of cubic feet of 50/50 Pozmix and cological Services (99-WWC-396).   |
| requested in the seven day letter, the minir The 9-5/8-inch O.D., 36#, K-55. ST&C c and 1/4% Cello Flake, if needer The 4-1/2-inch O.D., 11.6#, N-80, 8 rd tf 700 cubic feet of Class G.   | num amount of cement to be used by volume asing will be cemented with 222 cubic feet od.  hrd, LT&C casing will be cemented with 120  | a is as follows:  f Class G coment with 3% CaCl <sub>2</sub> O cubic feet of 50/50 Pozmix and cological Services (99-WWC-396).  |
| requested in the seven day letter, the mining The 9-5/8-inch O.D., 36#, K-55. ST&C cand 1/4% Cello Flake, if needed The 4-1/2-inch O.D., 11.6#, N-80, 8 rd the 700 cubic feet of Class G.  e archaeological report was sent on February  | num amount of cement to be used by volume asing will be cemented with 222 cubic feet od. hrd, LT&C casing will be cemented with 120 ry 16, 2000 from Western Wyoming Archaeo  | c is as follows:  f Class G cement with 3% CaCl <sub>2</sub> c ubic feet of 50/50 Pozmix and cological Services (99-WWC-396).  Division of Cil, Cas and primiting   |
| requested in the seven day letter, the mining The 9-5/8-inch O.D., 36#, K-55. ST&C cand 1/4% Cello Flake, if needed The 4-1/2-inch O.D., 11.6#, N-80, 8 rd the 700 cubic feet of Class G.  e archaeological report was sent on February  | num amount of cement to be used by volume asing will be cemented with 222 cubic feet od.  hrd, LT&C casing will be cemented with 120  | c is as follows:  f Class G cement with 3% CaCl <sub>2</sub> c ubic feet of 50/50 Pozmix and cological Services (99-WWC-396).  Division of Cil, Cas and primiting   |
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| s requested in the seven day letter, the mining The 9-5/8-inch O.D., 36#, K-55. ST&C c and 1/4% Cello Flake, if needed The 4-1/2-inch O.D., 11.6#, N-80, 8 rd to 700 cubic feet of Class G.  The archaeological report was sent on February and the sent of the se | num amount of cement to be used by volume asing will be cemented with 222 cubic feet o d. hrd, LT&C casing will be cemented with 120 ry 16, 2000 from Western Wyoming Archaed | a is as follows:  f Class G cement with 3% CaCl <sub>2</sub> to cubic feet of 50/50 Pozmix and cological Services (99-WWC-396).  DIVISION OF CIL, CAS AND DAMAGE  S Manager February 22, 2000   |

Title 18 U.S. C. Section 1001, makes it a crime for any person knowingly and wilffully to make to any department or agency of the United States any false, fieldlique or fisualulent statements or

representations as to any matter within its jurisdiction.

Form 3160-5 (June 1990)

## UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

| Sat. |       | ORM A   | PPRC     | VE  | D             |    |
|------|-------|---------|----------|-----|---------------|----|
| 78   | kadge | l Bures | u No.    | 100 | <b>14-013</b> | 15 |
|      | Free  |         | lairen 3 | 11  | 1003          |    |

|    | 4.    |          |     |      |    |    |    | 1993 |     |
|----|-------|----------|-----|------|----|----|----|------|-----|
| 5. | LEASE | DES      | IGN | ATIC | MΑ | ND | SE | RIAL | NO. |
| U. | 4482  | <u> </u> |     |      |    |    |    |      |     |

| DORERO OF EARLE                                       | , 14144 (CO)44214   |          | U-4482                                  |
|---|---|----------|---|
|   | D REPORTS ON WELLS  |          | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME    |
|   | l or to deepen or reentry to a different res<br>PERMIT - for such proposals |          | NA                                      |
| SUBMIT IN TR  | RIPI ICATE  |          | 7. IF UNIT OR CA, AGREEMENT DESIGNATION |
| TYPE OF WELL  |   |          | ISLAND                                  |
| OIL GAS WELL X WELL OTHER                             |   |          | 8. WELL NAME AND NO.                    |
| NAME OF OPERATOR                                      |   |          | ISLAND UNIT NO. 60                      |
| WEXPRO COMPANY  |   |          | 9. API WELL NO.                         |
| ADDRESS AND TELEPHONE NO.                             |   |          | 43-047-Pending                          |
| P. O. BOX 458, ROCK SPRINGS, WY 8                     | 2902 (307) 382-9791   |          | 10. FIELD AND POOL, OR EXPLORATORY AREA |
| LOCATION OF WELL (FOOTAGE, SEC., T., R., M., OR SURVE | Y DESCRIPTION)  |          | ISLAND                                  |
|   |   | "        | 11. COUNTY OR PARISH, STATE             |
| 1017' FEL, 2344' FSL, NE SE 7-10S-20E (S              | Surface Location)   |          |   |
| 600' FEL, 1500' FNL, SE NE 7-10S-20E (B               |   |          | UINTAH COUNTY, UTAH                     |
| 2. CHECK APPROPRIATE BOX(S                            | S) TO INDICATE NATURE OF NOTICE, REI  | PORT, OF | OTHER DATA                              |
| TYPE OF SUBMISSION                                    | TYPE O  | F ACTION | - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 |
| X Notice of Intent                                    | Abandonment   |          | Change in Plens                         |
| <del></del>   | Recompletion  |          | New Construction                        |
| Subsequent Report                                     | Plugging Back   |          | Non-Routine Fracturing                  |
|   | Casing Repair   |          | Water Style-Off                         |
| Final Abandonment Notice                              | Altering Casing   |          | Conversion to Injection                 |
|   | I U I an A  |          | Minnes and Minter                       |

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Attached is the final directional well profile for the above well.

FEB 28 (11)

DIVISION OF OIL, CAS AND MALL .G

| Signed  | G. T. | . Nimmo, Operations Manager | February 23, 2000 |
|---|-------|-----------------------------|-------------------|
| (This space for Federal or State office use). | , we  |                             |                   |
|   |       |                             | •                 |



### **Proposed Well Profile**

Client: Wexpro Company

Field: UT, Uintah County Structure: Pad #10

Well: Island #60 Borehole: New Borehole

UWWAPI#:

Date: February 23, 2000

Grid Convergence: 1.28565361\* Scale Factor: 1.00012343

Location: N 40 12 0.453, W 109 33 0.489

: N 3238412.005 MUS, E 2185119.895 MUS

Coordinate System: NAD83 Utah State Planes, Northern Zone, US Feet

Survey Computation Method: Minimum Curvature

DLS Computation Method: Lubinski Vertical Section Azimuth: 16.200\*

Vertical Section Origin: N 0.000 ft, E 0.000 ft

TVD Reference:

0.0 ft above

Magnetic Declination: 12.666° Total Field Strength: 53632.609 nT

Dip: 66.363\*

Declination Date: January 10, 2000

Magnetic Declination Model: BGGM 1999

North Reference: Grid North

Coordinate Reference To: Well Head

| Station ID | MD      | Incl  | Azim | TVD         | VSec    | N/-S        | E/-W   | Closure | at Azim | DLS       | TF      | F8L     | FNL                 | FEL     |
|------------|---------|-------|------|-------------|---------|-------------|--------|---------|---------|-----------|---------|---------|---------------------|---------|
|            | (ft)    | (C)   | (7)  | <b>(ft)</b> | (ft)    | <b>(ft)</b> | (ft) . | (ft)    | (")     | (*/100ft) | O       | (ft)    | (ft)                | (ft)    |
|            | 0.00    | 0.00  | 16.2 | 0.00        | 0.00    | 0.00        | 0.00   | 0.00    | 0.00    | 0.00      | 16.2MTF | 2344.00 | 2936.00             | 1017.00 |
| KOP        | 1950.00 | 0.00  | 16.2 | 1950.00     | 0.00    | 0.00        | 0.00   | 0,00    | 0.00    | 0.00      | 16.2MTF | 2344.00 | 2936.00             | 1017.00 |
|            | 2000.00 | 1.75  | 16,2 | 1999.99     | 0.76    | 0.73        | 0.21   | 0.76    | 16.19   | 3.50      | 16.2MTF | 2344.73 | 2935.27             | 1016.79 |
|            | 2100.00 | 5.25  | 16.2 | 2099.79     | 6.87    | 6.59        | 1.92   | 6.87    | 16.19   | 3.50      | 0.0     | 2350.59 | 2929.41             | 1015.08 |
|            | 2200.00 | 8.75  | 16.2 | 2199.03     | 19.05   | 18.30       | 5.31   | 19.05   | 16.19   | 3.50      | 0.0     | 2362.30 | 2917.70             | 1011.69 |
|            | 2300.00 | 12.25 | 16.2 | 2297.34     | 37.27   | 35.79       | 10.39  | 37.27   | 16.19   | 3.50      | 0.0     | 2379.79 | 2900.21             | 1006.61 |
|            | 2400.00 | 15.75 | 16.2 | 2394,35     | 61.46   | 59.02       | 17.14  | 61.46   | 16,19   | 3.50      | 0.0     | 2403.02 | 2876.98             | 999.86  |
|            | 2500.00 | 19.25 | 16.2 | 2489.71     | 91.53   | 87.90       | 25.52  | 91.53   | 16.19   | 3.50      | 0.0     | 2431.90 | <b>2848</b> .10     | 991.48  |
|            | 2600.00 | 22.75 | 16.2 | 2583.05     | 127.36  | 122.31      | 35.52  | 127.36  | 16.19   | 3.50      | 0.0     | 2468.31 | 2813.69             | 981.48  |
|            | 2700.00 | 26.25 | 16.2 | 2674.04     | 168.82  | 162.12      | 47.08  | 168.82  | 16.19   | 3.50      | 0.0     | 2506.12 | 2773.88             | 969.92  |
|            | 2800.00 | 29.75 | 16.2 | 2762.32     | 215.76  | 207.20      | 60,17  | 215.76  | 18.19   | 3.50      | 0.0     | 2551.20 | 2728.80             | 956.83  |
|            | 2900.00 | 33.25 | 16.2 | 2847.57     | 268.00  | 257.37      | 74.74  | 268.00  | 16.19   | 3.50      | 0.0     | 2601.37 | <b>2678.6</b> 3     | 942.26  |
|            | 3000.00 | 36.75 | 16.2 | 2929.47     | 325.35  | 312.44      | 90.73  | 325.35  | 16.19   | 3.50      | 0.0     | 2656.44 | 2623.56             | 926.27  |
| EOC #1     | 3051.88 | 38.57 | 16.2 | 2970.54     | 357.05  | 342,88      | 99.57  | 357.05  | 16.19   | 3.50      | 0.0     | 2656.88 | 2593.12             | 917.43  |
| Begin Drop | 4075.94 | 36.57 | 16.2 | 3771.24     | 995.46  | 955.97      | 277.60 | 995.46  | 16.19   | 0.00      | 180.0   | 3299.97 | 1960.03             | 739.40  |
|            | 4100.90 | 37.96 | 16.2 | 3790.14     | 1010.36 | 970.28      | 281,76 | 1010.36 | 16.19   | 2.50      | 180.0   | 3314.28 | 1965.72             | 735.24  |
|            | 4200.00 | 35.46 | 16.2 | 3870.29     | 1070.14 | 1027.68     | 298.43 | 1070.14 | 16.19   | 2.50      | 180.0   | 3371.68 | 1908.32             | 718.57  |
|            | 4300.00 | 32.96 | 16.2 | 3952.98     | 1126.38 | 1081.68     | 314.11 | 1126.36 | 16.19   | 2.50      | 180.0   | 3425.66 | 1854.32             | 702.89  |
|            | 4400.00 | 30.46 | 16.2 | 4038:04     | 1178.93 | 1132.16     | 328.77 | 1178.93 | 16.19   | 2.50      | 180.0   | 3476.16 | 1803.84             | 688.23  |
|            | 4500.00 | 27.96 | 16.2 | 4125.32     | 1227.73 | 1179.02     | 342.38 | 1227.73 | 16.19   | 2.50      | 180.0   | 3523.02 | 1756.98             | 674.62  |
|            | 4600.00 | 25.46 | 16.2 | 4214.63     | 1272.68 | 1222.19     | 354.91 | 1272.68 | 16.19   | 2.50      | 180.0   | 3566,19 | 1713.81             | 662.09  |
|            | 4700.00 | 22.96 | 16.2 | 4305.83     | 1313.69 | 1261.58     | 366.35 | 1313.69 | 16.19   | 2.50      | 180.0   | 3605.58 | 1674.42             | 650.65  |
|            | 4800.00 | 20.46 | 16.2 | 4398.73     | 1350.69 | 1297.10     | 376.67 | 1350.69 | 16.19   | 2.50      | 180.0   | 3641.10 | 1638.90             | 640.33  |
|            | 4900.00 | 17.96 | 16:2 | 4493.15     | 1383.59 | 1328.70     | 385.84 | 1383.59 | 16.19   | 2.50      | 180.0   | 3672.70 | 1607.30             | 631.16  |
|            | 5000.00 | 15.46 | 16.2 | 4588.92     | 1412.35 | 1356.32     | 393.86 | 1412.35 | 16.19   | 2,50      | 180.0   | 3700.32 | 15 <b>79</b> .68    | 623.14  |
|            | 5100.00 | 12.96 | 16.2 | 4685.85     | 1436.90 | 1379,90     | 400.71 | 1436.90 | 16.19   | 2.50      | 180.0   | 3723,90 | 1556.10             | 616.29  |
|            | 5200.00 | 10.46 | 16.2 | 4783.76     | 1457,20 | 1399.40     | 406.37 | 1457.20 | 16.19   | 2.50      | 180.0   | 3743.40 | 15 <b>36</b> .60    | 610.63  |
|            | 5300.00 | 7.96  | 18.2 | 4882.46     | 1473.22 | 1414.77     | 410.84 | 1473.22 | 16.19   | 2.50      | 180.0   | 3758.77 | 1521.23             | 606.16  |
|            | 5400.00 | 5.46  | 16.2 | 4981.76     | 1484.91 | 1426.00     | 414.10 | 1484.91 | 16,19   | 2.50      | 180.0   | 3770.00 | 1510.00             | 602.90  |
|            | 5500.00 | 2.96  | 16.2 | 5001.49     | 1492.25 | 1433.06     | 416.14 | 1492.25 | 16.19   | 2.50      | 16.2MTF | 3777.06 | 1502. <del>94</del> | 600.86  |
|            | 5600.00 | 0.46  | 16.2 | 5181.43     | 1495.25 | 1435.93     | 416.98 | 1495.25 | 16.19   | 2.50      | 16.2MTF | 3779.93 | 1500.07             | 600.02  |
| #60 Target | 5618.57 | 0.00  | 16,2 | 5200.00     | 1495.32 | 1436.00     | 417.00 | 1495.32 | 16.19   | 2.50      | 16.2MTF | 3780.00 | 1500.00             | 600.00  |
| TD / PBHL  | 8228.57 | 0.00  | 16.2 |             | 1495.32 | 1436.00     | 417.00 | 1495.32 | 16.19   | 0.00      | 0.0MTF  | 3780.00 | 1500.00             | 600.00  |

Survey Program: (No Error Model Selected)

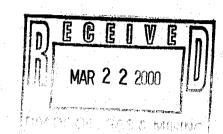


West Company
180 East 100 South
P.O. Box 45601
Selt Lake City, UT 84145-0601
Tel 801 324 2600
Fex 801 324 2637

March 22, 2000

State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, UT 84114-5801

Attn.: Lisha Cordova



Re: Island Unit APD's Uintah County, Utah

On February 2, 2000, Wexpro Company submitted to the Bureau of Land Management (BLM), Utah Office, Applications for Permit to Drill (APD's) for Island Unit Wells No. 47, 58, 59, 60, 69, 70, 71, 73 and 74. On March 9, 2000, the BLM approved our APD's. However, we have yet to receive such approval from the Utah Division of Oil, Gas and Mining (the Division). It is my understanding that the Division is withholding such approval because we are not in compliance with Rule No. R649-3-11 of the Division's regulations dealing with directional drilling.

Listed below are the locations of the above referenced wells:

| Well           | Location   | Lease  | Acres    | Ownership             |
|----------------|--|--------|----------|-----------------------|
| Island Unit 47 | SL: NE SE 7-10S-20E<br>BHL: NW SW 8-10S-20E        | U-4486 | 1,353.33 | Wexpro Company - 100% |
| Island Unit 58 | SL: NE of Lot 4, 7-10S-20E<br>BHL: NW SE 7-10S-20E | U-4482 | 1,970.27 | Wexpro Company - 100% |
| Island Unit 59 | SL: NE SE 7-10S-20E<br>BHL: SW NE 8-10S-20E        | U-4482 | 1,970.27 | Wexpro Company - 100% |
| Island Unit 60 | SL: NE SE 7-10S-20E<br>BHL: SE NE 8-10S-20E        | U-4482 | 1,970.27 | Wexpro Company - 100% |
| Island Unit 69 | SL: SE NW 11-10S-19E<br>BHL: SW NW 11-10S-19E      | U-4481 | 1,282.52 | Wexpro Company - 100% |
| Island Unit 70 | SL: SE NW 11-10S-19E<br>BHL: NW NW 11-10S-19E      | U-4481 | 1,282.52 | Wexpro Company - 100% |

Official Natural Gas Supplier to the 2002 Olympia Winter Gaster



| Well           | Location  | Lease  | Acres    | Ownership             |
|----------------|---|--------|----------|-----------------------|
| Island Unit 71 | SL: SE NW 11-10S-19E<br>BHL: SW NE 11-10S-19E             | U-4481 | 1,282.52 | Wexpro Company - 100% |
| Island Unit 73 | SL: NE of Lot 4, 7-10S-20E<br>BHL: SE SW 7-10S-20E        | U-4482 | 1,970.27 | Wexpro Company - 100% |
| Island Unit 74 | SL: NE of Lot 4, 7-10S-20E<br>BHL: SW of Lot 4, 7-10S-20E | U-4482 | 1,970.27 | Wexpro Company - 100% |

I would like point out that all lease within the Island Unit Participating Area "A" in which these wells are proposed to be drilled in, are fully committed to the Island Unit and subject to the Island Unit Agreement and Unit Operating Agreement. I would also like to point out that within the directional path of these wells (surface location to bottom hole location), all such acreage within 460 ft is owned by Wexpro and does not require us to obtain the approval of other parties regarding our intended operations.

At this time, Wexpro respectfully requests that the Division approve our APD's as were earlier submitted. Should you have any questions, please call me at (801) 324-2611.

Sincerely,

WEXPRO COMPANY

David J. Quina, Coordinator Units and Joint Operations



## Facsimile Transmittal

| Date: March 22, 2000                                  | Fax пumber: (801) 359-3940      |  |  |  |  |  |  |  |
|---|---------------------------------|--|--|--|--|--|--|--|
| To: Lisha Cordova                                     |                                 |  |  |  |  |  |  |  |
| Company: Department of Natural Resources. Location:   |                                 |  |  |  |  |  |  |  |
| Number of pages including cover sheet: 5              |                                 |  |  |  |  |  |  |  |
| From: David Quinn                                     | Location:                       |  |  |  |  |  |  |  |
|   |                                 |  |  |  |  |  |  |  |
| Instructions and/or comments:                         |                                 |  |  |  |  |  |  |  |
|   |                                 |  |  |  |  |  |  |  |
| Please advise if you require further information. The | e original letters will follow. |  |  |  |  |  |  |  |
|   |                                 |  |  |  |  |  |  |  |
|   |                                 |  |  |  |  |  |  |  |
|   |                                 |  |  |  |  |  |  |  |
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|   |                                 |  |  |  |  |  |  |  |
|   |                                 |  |  |  |  |  |  |  |



Michael O. Leavitt Governor Kathleen Clarke Executive Director Lowell P. Braxton Division Director

# State of Utah DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL GAS AND MINING

1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801 801-538-5340 801-359-3940 (Fax) 801-538-7223 (TDD)

March 23, 2000

Wexpro Company PO Box 458 Rock Springs, WY 82902

Re:

Island Unit 60 Well, 1500' FNL, 600' FEL, SE NE, Sec. 7, T. 10S, R. 20E,

Uintah County, Utah

### Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-33479.

Sincerely,

Jøhn R. Baza

Associate Director

er

Enclosures

cc:

**Uintah County Assessor** 

Bureau of Land Management, Vernal District Office

| Operator:              | Wexpro Company |        | <u>.                                      </u> |
|------------------------|----------------|--------|--|
| Well Name & Number     | Island Unit 60 |        | _  |
| API Number:            | 43-047-33479   | ·      | <u> </u>                                       |
| Lease:                 | U-4482         |        | <del></del>                                    |
| Location: <u>SE NE</u> | Sec. 7         | T. 10S | <b>R.</b> <u>20E</u>                           |

### **Conditions of Approval**

### 1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

### 2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

• Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338
- Contact Robert Krueger at (801) 538-5274.

### 3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

- 4. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rule R649-3-31 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing in property cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.
- 5. In accordance with Utah Admin. R.649-3-11, Directional Drilling, submitted of a complete angular deviation and directional survey report is required.
- 6. State approval of this well does not supersede the required federal approval which must be obtained prior to drilling.





1955 Blairtown Road P. O. Box 458 Rock Springs, Wyoming 82902 Tel 307-352-7555 Fax 307-352-7575 CathyF@qstr.com

Cathy Flansburg Coordinator, Regulatory Affairs

April 14, 2000

Bureau of Land Management Vernal District Office 170 South 500 East Vernal, Utah 84078 Ms. Leisha Cordova Utah Division of Oil, Gas & Mining P. O. Box 145801 Salt Lake City, Utah 84114-5801

### Dear Madam:

Wexpro Company is submitting the enclosed APD's for approval. Please note that these are replacement APD's for ones already submitted for approval. The location had to be moved due to topography problems. Therefore, all new APD's were generated. Please destroy all previously submitted APD's for these wells. A letter will be generated from our Salt Lake City office to comply with the State of Utah regulations pertaining to distances surrounding the wellbore.

If you have any questions, please let me know.

The wells with assigned API numbers are listed below:

Island Unit Well No. 47 SE NE 7-10S-20E Uintah County, Utah Lease No. U-4486 API: Unknown

Island Unit Well No. 59 SW NE 7-10S-20E Uintah County, Utah Lease No. U-4482 API: 43-047-33478 Island Unit Well No. 57 SE NE 7-10S-20E Uintah County, Utah Lease U-4482 API: 43-047-33476

Island Unit Well No. 60 SE NE 7-10S-20E Uintah County, Utah Lease No. U-4482 API: 43-047-33479

Sincerely,

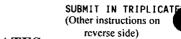
Cathy J. Flansburg

Coordinator, Regulatory Affairs

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DIVISION OF OIL, GAS AND MINING



Form approved.

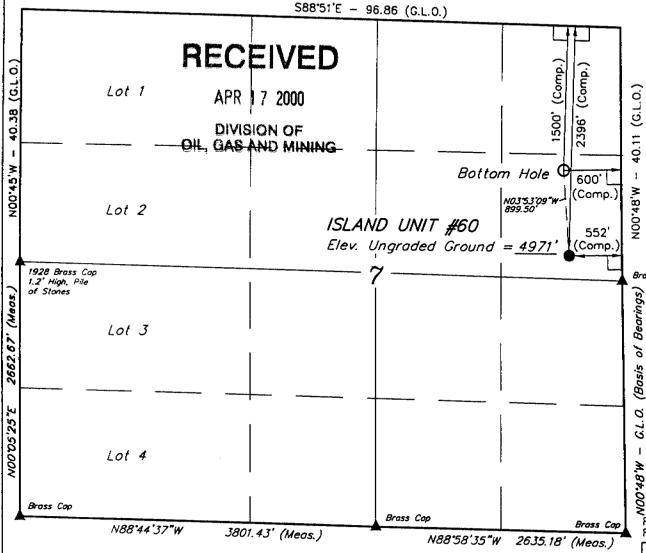
Budget Bureau No. 1004-0136 Expires December 31, 1991

5. LEASE DESIGNATION AND SERIAL NO.

### UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

| BUREAU OF LAND MANAGEMENT  |  |  |   |                           |  |                               |  | U-4482 6. IF INDIAN, ALLOTTEE OR TRIBE NAME  |                          |                 |
|--|--|--|---|---------------------------|--|-------------------------------|--|--|--------------------------|-----------------|
|  | APP  | LICATION   | FOR PERMIT  | TO D                      | RILL OR DI   | EEPEN                         | V  |  | IAN, ALLOTTEE<br>A       | OR TRIBE NAME   |
| . TYPE OF WORK   |  | ""   |   |                           |  |                               |  | 7. LINIT   | AGREEMENT NA             | MF              |
| DRILL X DEEPEN  b. TYPE OF WELL  OIL GAS SINGLE MULTIPLE   |  |  |   |                           |  |                               | IS   | ISLAND   |                          |                 |
| IL GA  |  | ОТ   | HER   |                           |  | IGLE<br>DNE                   | MULTIPLE ZONE  | 8. FARM  | OR LEASE NAM             | IE, WELL NO.    |
| NAME OF OPER   | RATOR  |  |   |                           | And the second   | *                             |  |  | SLAND UN                 | IT NO. 60       |
| WEXPRO (   | СОМРА  | NY   |   |                           | AME  | NΠ                            | FD   | 9. APIW  | ELL NO.                  |                 |
| ADDRESS AND  | TELEPHON                                     | E NO.  |   |                           | The state of the s | 9 Bar                         |  |  | ENDING                   |                 |
| P. O. BOX 4  | 458. RO                                      | CK SPRINGS, V  | VY 82902 (307   | ) 382-97                  | 791  |                               |  | 10. FIELD  | AND POOL, OR             | WILDCAT         |
| LOCATION OF  | F WELL (R                                    | eport location clearly   | and in accordance with a  | ny State re               | equirements.*)   | a L                           | 1424471 N  | i IS   | LAND UN                  | IIT             |
| At surface   |  | 552' FEL, 2396   | ' FNL, SE NE 7-109  | S-20E                     | 4424198N   |                               |  |  | T., R., M., OR BI        |                 |
| At proposed pro  | od. zone                                     | 600' FEL, 1500   | ' FNL, SE NE 7-109  | s-20E                     | 611004E  | 6                             | 10990 E  |  | JRVEY OR AREA            | ٩.              |
| DISTANCE IN MI   | ILES AND D                                   | IRECTION FROM NEAR   | EST TOWN OR POST OFF  | ICE*                      |  |                               |  |  | -10S-20E                 | 13. STATE       |
|  |  |  | st of Ouray, Utah   |                           |  |                               |  |  | INTAH                    | UTAH            |
| DISTANCE F   | ROM PROPO                                    | DSED"  |   | 16. N                     | O. OF ACRES IN LEASE   |                               | NO. OF ACRES A   |  |                          | J CIAII         |
| PROPERTY O   | OR LEASE L                                   | INE, FT.   | 552'  | 1970                      | ).2  | '                             | TO THIS WELL   |  |                          |                 |
| (Also to neare<br>DISTANCE FF  |  |  |   |                           | PROPOSED DEPTH   |                               | NA   | LE TOC' C  |                          |                 |
| TO NEAREST   | WELL, DRI                                    | OSED LOCATION*<br>LLING, COMPLETED<br>IIS LEASE, FT.                         | 1500'   | 1                         | O' TVD   | 1                             | ROTARY OR CAE<br>Rotary  | LE TOOLS   |                          |                 |
|  |  | ther DF, RT, GR. etc.)   | 1500  | 1 ,00                     | - 1 V D  |                               | TOLAT Y  | APPROY   | DATE WORK WI             | II STADT*       |
| GR 49  |  |  |   |                           |  |                               | 22   |  | pproval                  | EE O IANT       |
|  |  |  | PROPOSED CA   | ASING AN                  | D CEMENTING PRO  | GRAM                          |  | C poir o   | FPIOTAL                  |                 |
| SIZE OF HOLE   | GRA  | DE, SIZE OF CASING   |   |                           | SETTING DEPTH  |                               |  | QUANTITY   | OF CEMENT                |                 |
| 2-1/4"   |  | /8", K-55  | 36#   |                           | 30   | NO Dia                        | ase refer to   |  |                          |                 |
|  |  |  |   |                           | 50   | no pried                      | ascrete to   | шинид ри   | 11                       |                 |
|  |  | 2", N-80  Drilling Plan for  | details.  |                           | 816  |                               | ase refer to   |  |                          |                 |
| lease refer to a<br>lease be advise<br>nder the terms  | attached<br>ed that V<br>and con             | Drilling Plan for<br>Vexpro Company<br>ditions of the lea                    | details.  y is considered to buse for the operation 67308873, BLM B   | ns condu<br>Sond No       | erator of the abouted upon the lesson in ESO019.   | ove well                      | ase refer to   | drilling pla   |                          | ,               |
| lease refer to a<br>lease be advise<br>nder the terms<br>provided by N   | attached<br>ed that V<br>and con<br>Nationwi | Drilling Plan for<br>Vexpro Company<br>ditions of the lea<br>ide Bond No. SL | details.  v is considered to base for the operation   | ns condu<br>Sond No       | erator of the abouted upon the lesson in ESO019.   | ove well a                    | ase refer to   | drilling pla<br>nsible<br>overage  | n                        |                 |
| lease refer to a<br>lease be advise<br>nder the terms<br>provided by N   | attached<br>ed that V<br>and con<br>Nationwi | Drilling Plan for Vexpro Company ditions of the leaded Bond No. SL           | details.  y is considered to buse for the operation 67308873, BLM B  Approv   | ns condu<br>Sond No       | erator of the abouted upon the lesson in ESO019.   | ove well a                    | ase refer to<br>and is respo<br>ds. Bond c   | nsible<br>overage  | n                        |                 |
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## T10S, R20E, S.L.B.&M.



### LEGEND:

= 90° SYMBOL

= PROPOSED WELL HEAD.

= SECTION CORNERS LOCATED.

NOTE: THE PROPOSED WELL HEAD BEARS N64\*49'59"W 613.51' FROM THE EAST 1/4 CORNER OF SECTION 7, T10S, R20E, S.L.B.&M.

LATITUDE = 39.57'45''

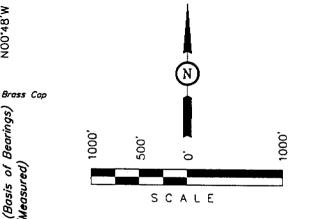
LONGITUDE = 109'42'01"

### WEXPRO COMPANY

Well location. ISLAND UNIT #60. located as shown in the SE 1/4 NË 1/4 of Section 7. T10S. R20E. S.L.B.&M. Uintah County. Utah.

### BASIS OF FLEVATION

SPOT ELEVATION IN THE NE 1/4 SW 1/4 OF SECTION 12. TIOS. RIGE. S.L.B.&M. TAKEN FROM THE BIG PACK MTN. NW. QUADRANGLE, UTAH, UINTAH COUNTY. 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR. GEOLOGICAL SURVEY, SAID ELEVATION IS MARKED AS BEING 5125 FEFT



### CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLATINAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BYCKE OR WINDER SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT BEST OF MY KNOWLEDGE AND BELIEF

REGISTERED LAND SURVEYO REGISTRATION NO. 181519 Revised: 4-03-00 D.R.B. STATE OF WITH

Revised: 1-11-00 C.B.T.

UINTAH ENGINEERING & LAND" SURVEYING 85 SOUTH 200 EAST - VERNAL UTAH 84078 (435) 789-1017

| SCALE<br>1" = 1000' | DATE SURVEYED: DATE DRAWN: 12-13-99 12-29-9 |     |  |  |
|---------------------|---|-----|--|--|
| D.A. T.A. C.B.T.    | REFERENCES<br>G.L.O. PLA                    | īT  |  |  |
| WEATHER COOL        | FILE WEXPRO COMP                            | ANY |  |  |

### Drilling Plan Wexpro Company Island Unit Well No. 60 Uintah County, Utah

1. SURFACE FORMATION, ESTIMATED TOPS AND WATER, OIL, GAS OR MINERAL BEARING FORMATIONS:

| Formation            | TVD<br>Depth | Remarks                  |
|----------------------|--------------|--------------------------|
| Uintah               | Surface      |                          |
| Green River          | 1,300'       | Gas, Secondary Objective |
| Kick Off Point       | 1,950'       |                          |
| Birds Nest Aquifer   | 2,265'       |                          |
| Wasatch Tongue       | 4,285'       |                          |
| Green River Tongue   | 4,635'       | Gas, Secondary Objective |
| Wasatch              | 4,785'       | Gas, Secondary Objective |
| Lower Wasatch Marker | 6,885'       | Gas, Primary Objective   |
| Total Depth          | 7,660'       |                          |

All fresh water and prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected.

2. PRESSURE CONTROL EQUIPMENT: (See attached diagram) Operator's minimum specifications for pressure control equipment require an 11-inch 3000 psi double gate hydraulically operated blowout preventer and an 11-inch 3000 psi annular preventer. BOP equipment will be tested to its rated working pressure or 70-percent of the internal yield of the surface casing. The annular preventer will be tested at 50-percent of its rated working pressure. NOTE: The surface casing will be pressure tested to a minimum of 1500 psi. BOP's will be checked daily as to mechanical operating condition and will be tested by rig equipment after each string of casing is run. All ram type preventers will have hand wheels which will be operative and accessible at the time the preventers are installed.

### **AUXILIARY EQUIPMENT:**

a. Manually operated kelly cock

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DIVISION OF OIL, GAS AND MINING b. No floats at bit

- c. Monitoring of mud system will be visual
- d. Full opening floor valves in the full open position, capable of fitting all drill stem connections manually operated

### CASING PROGRAM:

| Size   | Тор | Bottom    | Weight | Grade | Thread | Condition |
|--------|-----|-----------|--------|-------|--------|-----------|
| 9-5/8" | sfc | 300'      | 36     | K55   | LTC    | New       |
| 4-1/2" | sfc | 8,160' MD | 11.6   | N80   | LTC    | New       |

| Casing Strengths: |          |     |     | Collapse  | Burst     | Tensile<br>(minimum) |
|-------------------|----------|-----|-----|-----------|-----------|----------------------|
| 9-5/8"            | 36 lb.   | K55 | LTC | 2,020 psi | 3,520 psi | 489,000 lb.          |
| 4-1/2"            | 11.6 lb. | N80 | LTC | 6,350 psi | 7,780 psi | 223,000 lb           |

### **CEMENTING PROGRAMS:**

9-5/8-inch Surface Casing: 300 feet of Class G with 3% CaCl<sub>2</sub> (1/4% celloflake will only be used if lost circulation is encountered).

4-1/2-inch Production Casing: 5000 feet of 50/50 Poz-gel followed by 3160 feet of Class G with reducer and fluid loss additives, if needed.

4. MUD PROGRAM: Fresh water with gel sweeps will be used from surface to 300 feet. Fresh water with 2% KCL will be used from 300 feet to total depth.

Sufficient mud materials to maintain mud properties, control lost circulation and to contain blowout will be available at the wellsite.

No chrome constituent additives will be used in the mud system on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

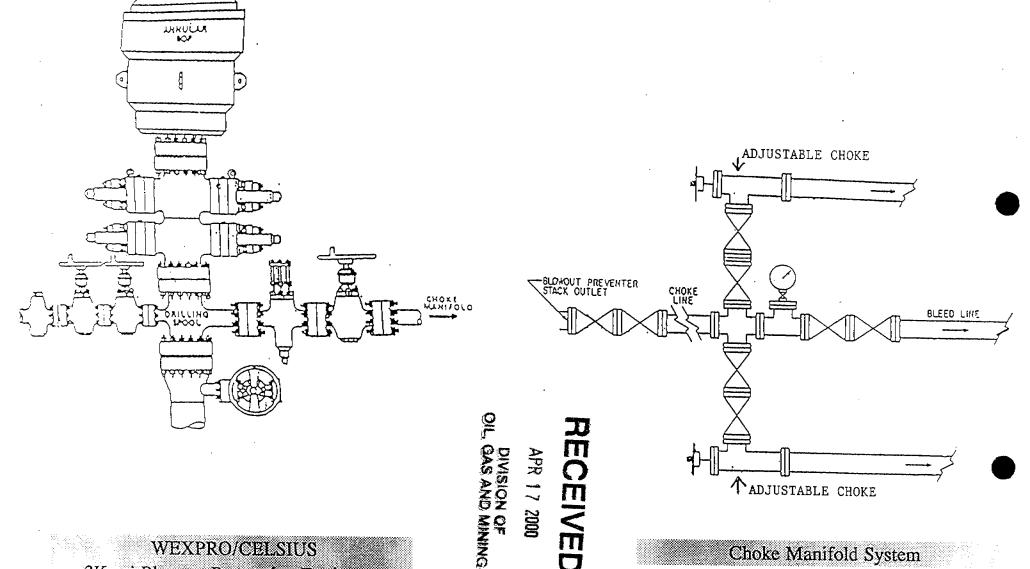
5. LOGGING: Electric Logs will be run as deemed necessary.

**TESTING:** None

CORING: None

- 6. ABNORMAL PRESSURE AND TEMPERATURE: No abnormal pressures are anticipated. A BHT of 137 degrees F and a BHP of 2900 psi are expected.
- 7. ANTICIPATED STARTING DATE: Upon Approval

**DURATION OF OPERATION: 15 days** 



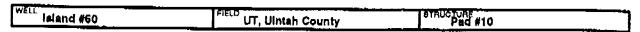
## WEXPRO/CELSIUS 3K psi Blowout Prevention Equipment

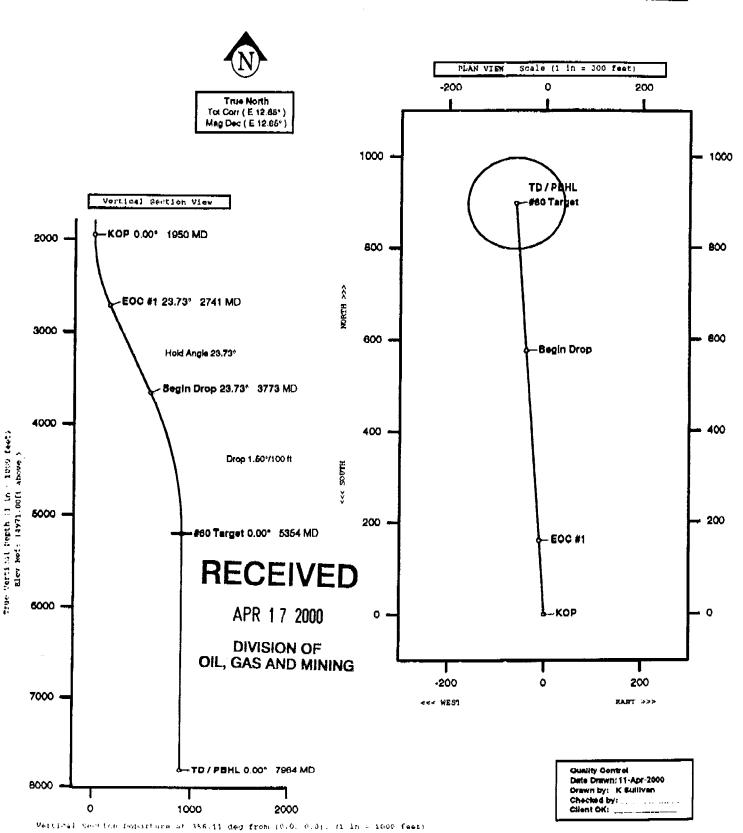
NOTE: Drilling spool & choke lines will be a minimum of 3" on choke side and 2" minimum on kill side

NOTE: 1. Minimum Choke Manifold Configuration

2. Vent Lines will be on a downward grade fro choke manifold to pit and anchored securely

# **Schlumberger** Wexpro Company





# Schlumberger

#### **Proposed Well Profile**

Client: Wexpro Company

Field: UT, Ulritah County

Structure: Pad #10

Well: Island #60 Borehole: New Borehole

UWYAPIS:

Date: April 11, 2000

Grid Convergence: 1,18665871\*

Scale Factor: 1,00020703

Location: N 39 57 45 000, W 109 42 1 000

: N 3150945.414 NUS, E 2144975.349 NUS

Coordinate System: NAD83 Utah State Planes, Northern Zone, US Feet

Survey Computation Method: Minimum Curvature

PLS Computation Method: Lubinski Vertical Section Azimuth: 356,110°

Vertical Section Origin: N 0.000 ft, E 0.000 ft

TVD Reference:

4971.0 ft above

Magnetic Declination: 12.649\*

Total Field Strength: 53324,387 nT

Dlp: 66.130\*

Declination Date: April 11, 2000

Magnetia Declination Model: BGGM 1999

North Reference: True North

Coordinate Reference To: Well Head

| Station ID | MD      | Incl  | Azim           | TVD     | VSec           | N/-9   | E/-W               | Closure             | et Azim | DLS       | TF      |
|------------|---------|-------|----------------|---------|----------------|--------|--------------------|---------------------|---------|-----------|---------|
|            | (11)    |       | (*)            | (ft)    | (ft)           | (11)   | (ft)               | (ft)                | 0       | (°/100ft) | (*)     |
|            | 0.00    | 0.00  | 356.11         | 0.00    | 0.00           | 0.00   | 0.00               | 0.00                | 0.00    | 0.00      | -3.9MTF |
| (OP        | 1950.00 | 0.00  | 356.11         | 1960.00 | 0.00           | 0.00   | 0.00               | 0.00                | 0.00    | 0.00      | -3.9MTF |
|            | 2000.00 | 1.50  | 356,11         | 1999.99 | 0.65           | 0.65   | -0.04              | 0.65                | 356.11  | 3.00      | -3.9MTF |
|            | 2100.00 | 4.50  | 356.11         | 2099.85 | 5.89           | 5.87   | -0.40              | 5.89                | 356.11  | 3.00      | -3.9MTF |
|            | 2200.00 | 7.50  | 356.11         | 2199.29 | 16.34          | 16.30  | -1.11              | 16.34               | 356.11  | 3.00      | 0.0     |
|            | 2300.00 | 10.50 | 356.11         | 2298,04 | 31.98          | 31.91  | -2.17              | 31.98               | 356.11  | 3.00      | 0.0     |
|            | 2400.00 | 13,50 | 356.11         | 2395.85 | 52,77          | 52.65  | -3.58              | 52.77               | 356.11  | 3.00      | 0.0     |
|            | 2500.00 | 16.50 | 356.11         | 2492.43 | 78.65          | 78.47  | -5.33              | 78.65               | 356.11  | 3.00      | 0.0     |
|            | 2600.00 | 19.50 | 356.11         | 2587.52 | 109.55         | 109.29 | -7.42              | 109.55              | 356.11  | 3.00      | 0.0     |
|            | 2700.00 | 22.50 | <b>356.11</b>  | 2680.87 | 145.38         | 145.05 | -9.85              | 145.38              | 358.11  | 3.00      | 0.0     |
| EOC #1     | 2740.97 | 23.73 | 356.11         | 2718.55 | 161.46         | 161.09 | -10.94             | 161.46              | 356.11  | 3.00      | 0.0     |
| Begin Drop | 3772.53 | 23.73 | 356.11         | 3662.90 | <b>576.</b> 67 | 575.25 | -39,08             | 576.57              | 356.11  | 0.00      | 180.0   |
|            | 3800.00 | 23.32 | 356.11         | 3688.09 | 567.54         | 586.19 | -39.82             | 587.54              | 356.11  | 1.50      | 180.0   |
|            | 3900.00 | 21.82 | 356.11         | 3780.43 | 626.91         | 624.48 | -42.42             | 625.91              | 356.11  | 1.50      | 160.0   |
|            | 4000.00 | 20.32 | 356.11         | 3873.74 | 661.86         | 660.34 | -44.85             | 881.86              | 356.11  | 1.50      | 180.0   |
|            | 4100.00 | 18.82 | 356.11         | 3967.97 | 695.35         | 693.75 | -47.12             | 695.35              | 356.11  | 1.50      | 180.0   |
|            | 4200.00 | 17.32 | <b>356</b> .11 | 4063.03 | 726.36         | 724.69 | -40.23             | 726,36              | 356.11  | 1.50      | 180.0   |
|            | 4300.00 | 15.82 | 356.11         | 4158.88 | 754.87         | 753.14 | -51.16             | 754.87              | 356.11  | 1,50      | 180.0   |
|            | 4400.00 | 14.32 | 356,11         | 4255.44 | 780.87         | 779.07 | -52.92             | 780.87              | 356.11  | 1.50      | 180.0   |
|            | 4500.00 | 12.82 | 356.11         | 4352.64 | 004.32         | 802.48 | -54.51             | 804.32              | 356.11  | 1.50      | 180.0   |
|            | 4600.00 | 11.32 | 356.11         | 4450.43 | 825,23         | 823.33 | -55.93             | 825.23              | 356.11  | 1.50      | 180.0   |
|            | 4700.00 | 9.82  | 356.11         | 4548.73 | 843.57         | 841.63 | -67.17             | 843.57              | 356.11  | 1.50      | 180.0   |
|            | 4800.00 | 8.32  | 356.11         | 4647.48 | 859.33         | 857.35 | -58.24             | 859.33              | 356,11  | 1.50      | 180.0   |
|            | 4900,00 | 6.82  | 356,11         | 4746.61 | 872.49         | 870.49 | -59.13             | 872.49              | 358.11  | 1.50      | 180.0   |
|            | 6000.00 | 5.32  | 356.11         | 4846.04 | 883.06         | 881.03 | -59.85             | 883.06              | 356.11  | 1.50      | 180.0   |
|            | 5100.00 | 3.82  | 356.11         | 4945.72 | 891.03         | 88.88  | -60.39             | 891.03              | 366.11  | 1.50      | -3.9MTF |
|            | 5200.00 | 2.32  | 356.11         | 5045.68 | 896.38         | 804.31 | -60.75             | 898.38              | 356.11  | 1.50      | -3.9MTF |
|            | 5300.00 | 0.82  | 356.11         | 5145.54 | 599.11         | 897.04 | -60.93             | 8 <del>9</del> 9.11 | 356.11  | 1.50      | -3.9MTF |
| 60 Target  | 5354.46 | 0.00  | 356.11         | 5200,00 | 899,50         | 897.43 | -60.96             | 899.50              | 356,11  | 1.50      | -3.9MTF |
| D/PBHL     | 7964.46 | 0.00  | 356.11         | 7810.00 | 899.50         | 897.43 | -60. <del>96</del> | 599.50              | 356.11  | 0.00      | 0.0MTF  |
|            |         |       |                |         |                |        |                    |                     |         |           |         |

Buryay Program: (No Error Model Selected)

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#### Surface Use and Operations Wexpro Company Island Unit Well No. 60 Uintah County, Utah

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#### 1. <u>Existing Road</u>:

- A. <u>Proposed Well Site as Staked</u>: Refer to well location plat and area map.
- B. <u>Proposed Access Route</u>: Refer to general area map. All access roads are within lease boundaries.
- C. <u>Plans for Improvement and/or Maintenance</u>: All existing roads utilized will be maintained in their present condition and no improvements will be made.

#### 2. Planned Access Roads:

- A. Approximately 0.1 miles of new road construction is anticipated. The road will be crowned and ditched with a 16 foot running surface. Construction of the access road will necessitate a 30-foot wide right-of-way (maximum disturbance).
- B. Maximum grade: Will not exceed 8 percent.
- C. Turnouts: Water turnouts will be constructed as required to divert runoff water from the road ditch in such a manner as to not cause erosion.
- D. Location (centerline): Access road has been staked and flagged. Surface disturbance and vehicular travel will be limited to the approved access route, additional area needed will be approved in advance.
- E. Surface materials: Surface materials will be obtained from cuts along the access road and location. Spot surfacing may be required to maintain the running surface.
- F. Any topsoil (approximately 6-inches) removed in conjunction with road construction will be spread in the borrow ditches or windrowed to the side. Borrow areas will be seeded as discussed in reclamation procedures.
- 3. <u>Location of Existing Wells</u>: Refer to area map for the location of existing wells within a one-mile radius.
- 4. <u>Location of Existing and/or Proposed Facilities</u>: Refer to area maps. Layout of new facilities will be submitted via sundry Notice prior to installation.

All permanent (onsite for six months or longer) structures constructed or installed will be painted Desert Brown, a flat, non-reflective, earthtone color to match the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within six months of installation. Facilities required to comply with Occupational Safety and Health Act will be excluded.

If a tank battery is constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain one-and-a-half times the storage capacity of the battery.

Facilities will be applied for via Sundry Notice prior to installation.

All loading lines will be placed inside the berm surrounding the tank battery.

All site security guidelines identified in 43 CFR 3162.7 regulations will be adjered to.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from Authorized Officer.

Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and anchored securely downstream of the meter run or any production facilities. Meter runs will be housed and/or fenced.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new installations and at least quarterly thereafter. The Authorized Officer will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with the API standards for liquid hydrocarbons and the AGA standard for natural gas measurement.

The proposed pipeline will be constructed and operated by Questar Gas Management Company. The pipeline will be approximately 1920 feet in length. The proposed surface pipeline will be 3.5-inch O.D., Grade B or X-42 with a 0.288-inch wall thickness. The width of the right-of-way requested is 50 feet for construction and will revert to 30 feet for operation and maintenance purposes. The pipeline will be either brown or black in color.

The maximum operating pressure that the natural gas pipeline is designed for is 1170 psig. Associated facilities include above ground valving and piping at the lateral junctions.

- 5. <u>Location and Type of Water Supply</u>: Water will be hauled by tank trucks from the William E. Brown water well located in Section 32-T6S-R20E, Water Use Claim #43-9077, Application #t20262 or will be hauled by Troy Murray Trucking Company under Permit #49-1634 at a point of diversion in Section 24, T9S, R19E.
- 6. <u>Source of Construction Materials</u>: All materials will be derived from cuts at the location and along the access road. Construction material will be located on lease.
- 7. Methods for Handling Water Disposal: Cuttings and drilling fluids will be placed in an unlined mud pit which will be constructed with at least one half of its holding capacity below ground level. The mud pit will be fenced on three sides with a sheep-tight fence of woven wire prior to the onset of drilling. Immediately upon completion of drilling, the fourth side will be fenced and the liquids allowed to evaporate. The fence will be maintained until restoration. Any produced liquids will be contained in test tanks and hauled out by tank trucks. Garbage and other waste materials will be placed in a trash cage, the contents of which will be disposed of in the nearest legal landfill. Portable sewage facilities will be utilized for the disposal of human waste.

Produced waste water will be confined to an unlined pit for a period not to exceed 90 days after initial production. During the 90 day period an application for approval of a permanent disposal method and location will be submitted for the Authorized Officer's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance, and will be grounds for issuing a shut-in order.

- 8. <u>Ancillary Facilities</u>: Camp facilities will not be required.
- 9. Wellsite Layout: Refer to drawing.
- 10. <u>Plans for Restoration of the Surface</u>: During construction, all woody vegetation and the top six-inches of topsoil material will be removed from the pad and stockpiled separately. All pits will remain fenced until cleanup begins. Overhead flagging will be installed if oil is in the mud pit.

Immediately upon completion of drilling, the location and surrounding area will be cleared of all debris, materials, trash and junk not required for production. The reserve pit and that portion of the location and access road not needed for production or production facilities will be reclaimed.

Before any dirt work to restore the location takes place, the reserve pit will be completely dry and all cans, barrels, pipe, etc. will be removed. All disturbed areas will be recontoured to the approximate natural contours to the satisfaction of the Authorized Officer.

The stockpiled topsoil will be evenly distributed over the disturbed areas. Prior to reseeding, all disturbed areas, including the access roads, will be scarified and left with a rough surface. Reseeding will be done in the Fall before ground frost.

A seed drill equipped with a regulator will be required. Seed will be drilled 1/4-1/2 inch deep on the contour using a seed mixture specified by the Bureau of Land Management.

Where drilling is not possible a broadcast/rake method will be used doubling the seed mixture.

- 11. <u>Surface and Mineral Ownership</u>: Surface ownership along the access road is federal and surface ownership at the wellsite is federal.
- 12. <u>Other Information</u>: Stan Olmstead of the Bureau of Land Management, Vernal Field Office, in Vernal, Utah will be notified at least 72-hours prior to commencement of <u>both</u> construction and reclamation operations.

A Class III Cultural Resource Inventory has been completed and the report forwarded to the Bureau of Land Management. If any cultural resources are found during construction, all work will stop, and the Authorized Officer will be notified.

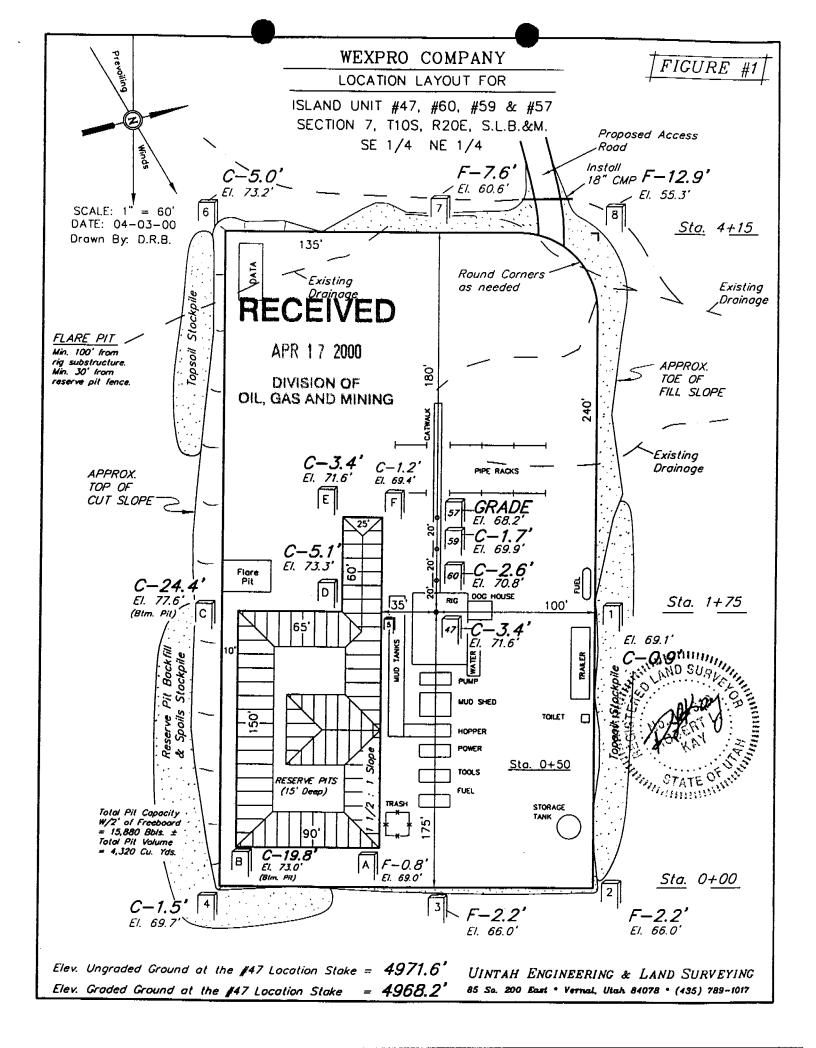
No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

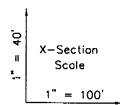
- 13. <u>Lessee's or Operators Representative and Certification:</u>
  - G. T. Nimmo, Operations Manager, P. O. Box 458, Rock Springs, Wyoming 82902, telephone number (307) 382-9791.

#### Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions which currently exist, that the statements made in the plan area, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Wexpro Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

| Date: 041400 | Name _ | Cal Numano                      |
|--------------|--------|---------------------------------|
|              |        | G. T. Nimmo, Operations Manager |



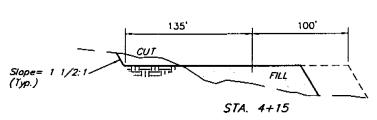


#### WEXPRO COMPANY

#### TYPICAL CROSS SECTIONS FOR

ISLAND UNIT #47, #60, #59 & #57 SECTION 7, T10S, R20E, S.L.B.&M. SE 1/4 NE 1/4

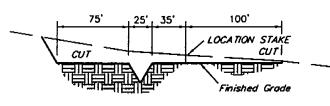
DATE: 04-03-00 Drawn By. D.R.B.





Preconstruction

Grade

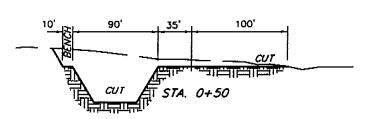


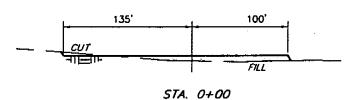
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#### NOTE:

Topsoil should not be Stripped Below Finished Grade on Substructure Area.

# FIGURE

#### APPROXIMATE YARDAGES

CUT

(6") Topsoil Stripping

= 1,810 Cu. Yds.

Remaining Location

= 14,410 Cu. Yds.

TOTAL CUT

= 16,220 CU. YDS.

FILL

= 7,330 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION

8,500 Cu. Yds.

Topsoil & Pit Backfill (1/2 Pit Vol.)

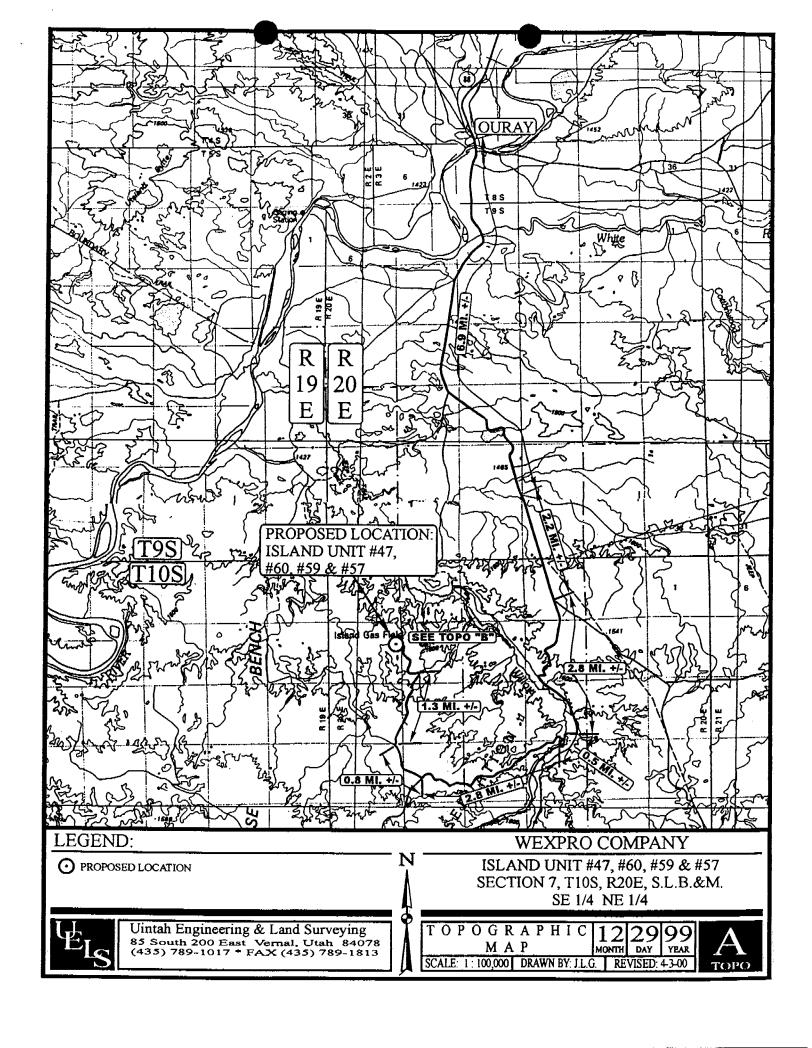
3,970 Cu. Yds.

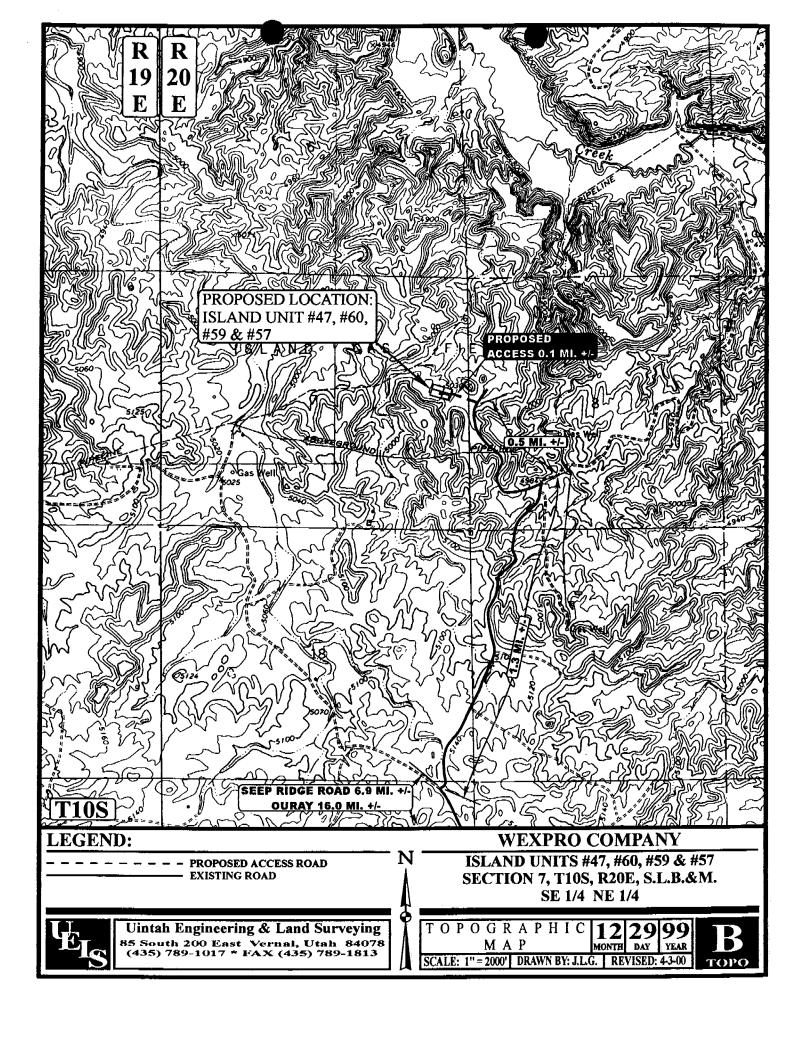
EXCESS UNBALANCE

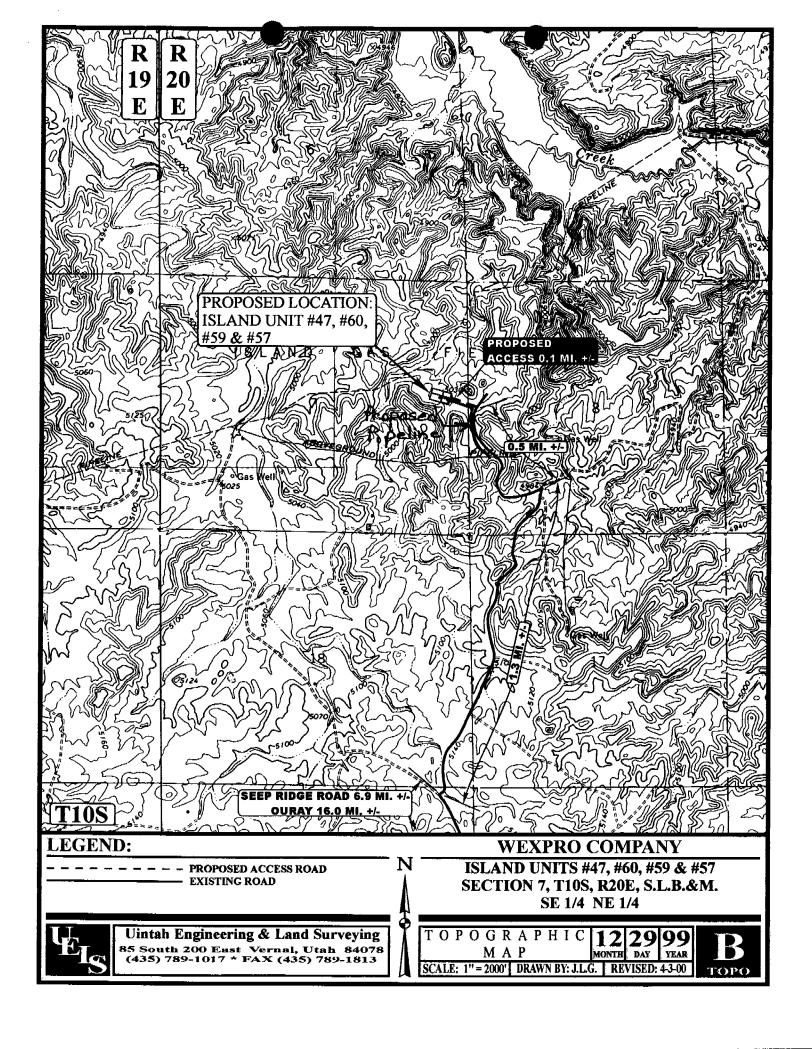
(After Rehabilitation)

4,530 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING 85 Sa. 200 East . Vernal, Utah 84078 . (435) 789-1017









ro Company
150 East 100 South
P.O. Box 45601
Salt Lake City, UT 84145-0601
Tel 801 324 2600
Fax 801 324 2637

April 25, 2000

State of Utah Department of Natural Resources Division of Oil, Gas and Mining P.O. Box 145801 Salt Lake City, UT 84114-5801

Attn.: Lisha Cordova

Re:

Island Unit APD's Uintah County, Utah

On April 14, 2000, Wexpro Company resubmitted to the Bureau of Land Management (BLM), Utah Office, Applications for Permit to Drill (APD's) for Island Unit Wells No. 47, 58, 59 and 60. From our conversation on April 24, 2000, you informed me that these new locations are not in compliance with Rule No. R649-3-11 of the Division's regulations dealing with directional drilling.

Listed below are the locations of the above referenced wells:

| Well           | Location   | Lease  | Acres    | Ownership             |
|----------------|--|--------|----------|-----------------------|
| Island Unit 47 | SL: NE SE 7-10S-20E<br>BHL: NW SW 8-10S-20E        | U-4486 | 1,353.33 | Wexpro Company - 100% |
| Island Unit 58 | SL: NE of Lot 4, 7-10S-20E<br>BHL: NW SE 7-10S-20E | U-4482 | 1,970.27 | Wexpro Company - 100% |
| Island Unit 59 | SL: NE SE 7-10S-20E<br>BHL: SW NE 8-10S-20E        | U-4482 | 1,970.27 | Wexpro Company - 100% |
| Island Unit 60 | SL: NE SE 7-10S-20E<br>BHL: SE NE 8-10S-20E        | U-4482 | 1,970.27 | Wexpro Company - 100% |

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Official Natural Gas Supplier to the



I would like point out that all leases within the Island Unit Participating Area "A" in which these wells are proposed to be drilled in, are fully committed to the Island Unit and are subject to the Island Unit Agreement and Unit Operating Agreement. I would also like to point out that all acreage within 460 ft of the directional path of these wells (surface location to bottom hole location), is owned by Wexpro and does not require us to obtain the approval of other parties regarding our intended operations.

At this time, Wexpro respectfully requests that the Division approve our APD's as submitted. Should you have any questions, please call me at (801) 324-2611.

Sincerely,

WEXPRO COMPANY

David J. Juinn, Coordinator Units and Joint Operations

| orm 316©3       |  | • | SUBMIT IN TRIPLICATION On Control of the control of | TE* | Form approved. Budget Bureau No. 1004-0136 | 1//0/5 |
|-----------------|--|---|--|-----|--|--------|
| December, 1990) |  |   | reverse side)  |     | Expires December 31, 1991                  |        |

| (-1.1.11.                    |        |
|------------------------------|--------|
| revers                       | e side |
| UNITED STATES                |        |
| DEPARTMENT OF THE INTERIO    | R      |
| DEI ARTIMENT OF THE INTERIOR |        |
| BUREAU OF LAND MANAGEMENT    |        |
|                              |        |

|   | U-4482  | 5. LEASE DESIGNATION AND SERIAL NO. U-4482 |  |  |  |                   |
|---|---|--|--|--|--|-------------------|
|   | APPLICATION F   | OR PERMIT TO                               | DRILL OR DEI   | EPEN                                       | 6. IF INDIAN, ALLOTTEE O   | R TRIBE NAME      |
| 1a. TYPE OF WORK  b. TYPE OF WELL OIL GAS       | DRILL X   | DEEPEN                                     | ,<br>SINGL   |  | 7. UNIT AGREEMENT NAM<br>ISLAND<br>8. FARM OR LEASE NAME.            |                   |
| 2. NAME OF OPERATO WEXPRO CO 3. ADDRESS AND TEL | MPANY   | ₹  | ZONE   | ZONE                                       | ISLAND UNI s. API WELL NO. PENDING                                   | T NO. 60          |
|   | -   |  | tate requirements.*)<br>E  |  | ISLAND UNI 11. SEC., T., R., M., OR BLK AND SURVEY OR AREA 7-10S-20E | T                 |
|   | S AND DIRECTION FROM NEARES<br>tely 20 miles southwest                  |  | and the second s | ·  | 12. COUNTY OR PARISH<br>UINTAH                                       | 13. STATE<br>UTAH |
|   | EAREST<br>LEASE LINE, FT.<br>Ing. unit line, if any)                    | 552'                                       | 1970.2   | 17. NO. OF ACRES ASS<br>TO THIS WELL<br>NA |  |                   |
| TO NEAREST WE                                   | PROPOSED LOCATION*<br>ELL, DRILLING, COMPLETED<br>R, ON THIS LEASE, FT. | 1500'                                      | 19. PROPOSED DEPTH<br>7660' TVD  | 20. ROTARY OR CABLE Rotary                 |  |                   |
| 21. ELEVATIONS (SH<br>GR 4971                   | now whether DF, RT, GR. etc.)   |  |  | 22.  | APPROX. DATE WORK WILL<br>Upon approval                              | START*            |
| 23.   |   |  | G AND CEMENTING PROGR  |  | NIANTIN OF OFMENT  |                   |
| SIZE OF HOLE 12-1/4"                            | GRADE, SIZE OF CASING<br>9-5/8", K-55                                   | WEIGHT PER FOOT                            | SETTING DEPTH 300'   |  | QUANTITY OF CEMENT   |                   |
| 7 7/01  | 4 1/2" N 90   | 11 64                                      |  | Diagra pofor to de                         |  |                   |

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Please refer to attached Drilling Plan for details.

Please be advised that Wexpro Company is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is provided by Nationwide Bond No. SL67308873, BLM Bond No. ES0019.

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**DIVISION OF** OIL, GAS AND MINING

| N ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If prost of drill or deepen directionally, give pertition data on subsurface locations | oposal is to deepen, give data on present productive zone and and measured and true vertical depths. Give blowout preventer prog | d proposed new productive zone. If proposal tram, if any. |
|---|--|---|
| SIGNED SIGNED   | G. T. Nimmo, Operations Mana   | ager OHMO   |
| (This space for Federal or State office use) PERMIT NOTICE OF APPROVAL  | CONDITIONS OF API  | PROVAL ATTACHE  |
| Application approval does not warrant or cetify that the applicant holds CONDITIONS OF APPROVAL, IF ANY:  APPROVED BY           | legal or equitable title to those rights in the subject lease which would ent  | title the applicant to conduct operations thereon.        |
|   | * See Instructions On Reverse Side   |   |

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

006M

COAs Page 1 of 8 Well No.: Island Unit #60

### CONDITIONS OF APPROVAL APPLICATION FOR PERMIT TO DRILL

| Company/Operator: Wexpro Company               |
|--|
| Well Name & Number: Island Unit #60            |
| API Number:43-047-33479                        |
| Lease Number: U - 4482                         |
| Surface Location: SENE Sec. 07 T. 10S R. 20E   |
| Down Hole Location: SENE Sec. 07 T. 10S R. 20E |
| Agreement: Island Unit                         |

### NOTIFICATION REQUIREMENTS

at least forty-eight (48) hours prior to construction of location **Location Construction** 

and access roads.

prior to moving on the drilling rig. **Location Completion** 

at least twenty-four (24) hours prior to re-entering the Re-entry Notice

wellbore.

at least twenty-four (24) hours prior to initiating pressure BOP and Related tests. **Equipment Tests** 

within five (5) business days after new well begins, or Notice First Production

production resumes after well has been off production for

more than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

COAs Page 2 of 8 Well No.: Island Unit #60

# CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

The operator is fully responsible for the actions of his subcontractors. All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Orders, and the approved plan of operations. A copy of these conditions will be furnished the field representative to insure compliance.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

#### A. <u>DRILLING PROGRAM</u>

 Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered

Report <u>ALL</u> water shows and water-bearing sands to Tim Ingwell of this office **prior to setting the next casing string or requesting plugging orders**. Faxed copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected.

## 2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a <u>3M</u> system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

If an air compressor is on location and is being utilized to provide air for the drilling medium while drilling, the special drilling requirements in Onshore Oil and Gas Order No. 2, regarding air or gas drilling shall be adhered to. If a mist system is being utilized then the requirement for a deduster shall be waived.

## Casing Program and Auxiliary Equipment

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint.

COAs Page 3 of 8 Well No.: Island Unit #60

As a minimum, the usable water shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the base of the usable water zone, identified at 3,110(MD) ft. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

#### 4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

No chromate additives will be used in the mud system on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

## Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

All Drill Stem tests (DST) shall be accomplished during daylight hours, unless specific approval to start during other hours is obtained from the AO. However, DSTs may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e., lighting which is adequate for visibility and vaporproof for safe operations). Packers can be released, but tripping should not begin before daylight unless prior approval is obtained from the AO.

A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. One copy of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the AO.

## 6. <u>Notifications of Operations</u>

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

COAs Page 4 of 8 Well No.: Island Unit #60

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than five (5) days following the date on which the well is placed on production.

Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

A schematic facilities diagram as required by 43 CFR 3162.7-5(d) shall be submitted to the appropriate Field Office within 60 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (1).

No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

COAs Page 5 of 8 Well No.: Island Unit #60

#### 7. Other Information

All loading lines will be placed inside the berm surrounding the tank battery.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the AO.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted on initial meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal Field Office. All meter measurement facilities will conform with Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

COAs Page 6 of 8 Well No.: Island Unit #60

In the event after-hours approvals are necessary, please contact one of the following individuals:

Ed Forsman

(435) 789-7077

Petroleum Engineer

(435) 781-1190

Jerry Kenczka Petroleum Engineer

(435) 781-4410 **BLM FAX Machine** 

COAs Page 7 of 8 Well No.: Island Unit #60

# EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spend solvents, spilled chemicals, and waste acids

Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste

Refinery wastes

Liquid and solid wastes generated by crude oil and tank bottom reclaimers

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation and miscellaneous solids.

COAs Page 8 of 8 Well No.: Island Unit #60

# SURFACE USE PROGRAM Conditions of Approval (COA)

# Location of Existing and/or Proposed Facilities

The material for construction of the containment dike around the tank battery shall be non-permeable subsoils and at no time shall top soils be used for this construction.

If a pipeline is requested for this location, additional authorization will be necessary.

Construction of the location and access road shall not block drainages.

## Methods for Handling Water Disposal

The reserve pit shall be lined according to Vernal Field Office standards unless an authorized officer of the Field Office determines a liner is not required.

# Plans For Reclamation Of Location

All seeding for reclamation operations at this location shall use the following seed mixture:

| fourwing saltbush<br>squirreltail grass<br>gardner saltbush<br>shadscale | Atriplex canescens Sitanion hystix Atriplex gardneri Atriplex confertifolia | 4 lbs/acre<br>2 lbs/acre<br>3 lbs/acre<br>3 lbs/acre |
|--|---|--|
|--|---|--|

The seed mixture shall be drilled but if the seed mixture is to be aerially broadcasted, the pounds per acre shall be doubled. All seed poundages are in Pure Live Seed.

Immediately after construction the stockpiled topsoil will be seeded and the seed worked into the soil by "walking" the pile with caterpillar tracks.

Form 3160-5 (June 1990)

#### **UNITED STATES** DEPARTMENT OF THE INTERIOR

| FORM APPROVED     |           |  |  |  |  |  |
|-------------------|-----------|--|--|--|--|--|
| Budget Bureau No. | 1004-0135 |  |  |  |  |  |

|       | Expires:   | March 3 | 1, 1993   |
|-------|------------|---------|-----------|
| LEASE | DESIGNATIO | N AND S | ERIAL NO. |

| BUREAU OF LANI   | 5. LEASE DESIGNATION AND SERIAL NO.<br>U-4482                        |  |
|--|--|--|
| SUNDRY NOTICES AN  | D REPORTS ON WELLS   | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME             |
| Do not use this form for proposals to dril<br>Use "APPLICATION FOR           | l or to deepen or reentry to a differen PERMIT -" for such proposals | t reservoir. NA                                  |
| SUBMIT IN TE   | LIPLICATE  | 7. IF UNIT OR CA, AGREEMENT DESIGNATION          |
| 1. TYPE OF WELL OIL GAS WELL X WELL OTHER                                    |  | ISLAND  8. WELL NAME AND NO.                     |
| 2. NAME OF OPERATOR  |  | ISLAND UNIT WELL NO. 60                          |
| WEXPRO COMPANY   | 300  | 9. API WELL NO.<br>43-047-PENDING 3.34/29        |
| 3. ADDRESS AND TELEPHONE NO.<br>P. O. BOX 458, ROCK SPRINGS, WY 8            | 2902 (307) 382-9791  | 10. FIELD AND POOL, OR EXPLORATORY AREA          |
| 4. LOCATION OF WELL (FOOTAGE, SEC., T., R., M., OR SURVE                     | Y DESCRIPTION)   | ISLAND   |
| 552' FWL, 2396' FNL, SE NE 7-10S-20I<br>600' FEL, 1500' FNL, SE NE 7-10S-20E |  | 11. COUNTY OR PARISH, STATE  UINTAH COUNTY, UTAH |
| es · · · · · · · · · · · · · · · · · · ·                                     |  |  |
|  | S) TO INDICATE NATURE OF NOTICE                                      | PE OF ACTION                                     |
| TYPE OF SUBMISSION   | Abandonment  | Change in Plans                                  |
| Notice of Intent   | Recompletion   | New Construction                                 |
| X Subsequent Report  | Plugging Back  | Non-Routine Fracturing                           |
| A Goodeless Coper  | Casing Repair  | Water Shut-Off                                   |
| Final Abandonment Notice   | Altering Casing  | Conversion to Injection                          |

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Other Well History

The above well was spud on 06/25/00 at 10:00 am. Attached is the detailed casing report for the 9-5/8" casing run on 06/25/00. Current operation is waiting on drilling rig.

RECEIVED

Dispose Water

JUL 0 3 2000

**DIVISION OF** 

|  | 0  | IL, GAS AND MINING               |
|--|--|----------------------------------|
| 14. I hereby cessity that the forestoring is true and correct Signed   | G. T. NIMMO, Operations Manager  | June 27, 2000                    |
| (This space for Federal or State office use)  Approved by  Conditions of approval, if any:   | Title  | Date                             |
| Title 18 U.S. C. Section 1001, makes it a crime for any person knowledge representations as to any matter within its jurisdiction. | ingly and willfully to make to any department or agency of the United States any false, fictit | ious or fraudulent statements or |

# WEXPRO/CELSIUS ENTRGY COMPANY CASING & CEMENT REPORT

| WELL NAME     | ISLAND UNIT # 60 | W.O.#       | 50526           | DATE:    | JUNE 26-2000   |
|---------------|------------------|-------------|-----------------|----------|----------------|
| SEC: 8        | TWP: 10          | S RANGE: 20 | E COUNTY:       | UINTAH   | STATE: UTAH    |
| EPTH OF HOLE  | 340              | SIZE: 12    | 1/4 DRILLING FO | REMAN    | TOMMY VAUGHN   |
| SURFACE ELEV: | 4,972.00         | ROTARY KB H | EIGHT (c+d)     | 12.00 KB | ELEV: 4,984.00 |

#### CASING DETAIL

| DESCRIPTION TOP TO BOTTOM:  |                                       |  |  |                |
|---|---------------------------------------|--|--|----------------|
| (Include wellhead equipment that is                                 | below G. L.)                          |  |  | LENGTH         |
| 4.0.5(0)) 440,440,45  |                                       |  |  | <u>cengjii</u> |
| 1 9 5/8" x 11" WO (C-22 PROFIL                                      | E) CASING HEAD                        | ·  |  | 1.00           |
| 1 JOINT 9 5/8", 36 LB/FT, J-55,<br>5 JOINTS 9 5/8", 36 LB/FT, J-55, | RDIND, ST&C                           |  |  | 43.60          |
| 1 DIFFERENTIAL FILL FLOAT BA  | FFLE WEATHEREORE                      | ))   |  | 235.55         |
| 1 JOINT 9 5/8", 36 LB/FT, J-55, 8                                   | RDTHD, ST& C                          | <u>-,                                     </u> | ***                                    |                |
| 1 9 5/8" GUIDE SHOE (WEATHER  | RFORD)                                |  | ······································ | 43.00<br>1.00  |
|   |                                       |  |  | 1,00           |
|   |                                       |  |  |                |
|   |                                       |  |  |                |
| SPUD 6-25-2000 AT 10:00 A.M. E                                      | Y RILL IR'S PATHOLE                   |  |  |                |
|   | T BILL BILL STOCHOLD                  | <u> </u>                                       |  |                |
|   | · · · · · · · · · · · · · · · · · · · | W.J.   | <del></del>                            | ·              |
| -   | ****                                  | ·  |  |                |
| (A) TOTAL LENGTH OF MENTER  |                                       |  | (A) TOTAL LENGTH                       | 324.15         |
| (A) TOTAL LENGTH CEMENTED (B) TOP OF CSG. FLANGE TO G               |                                       | 324.15   | <del></del>                            |                |
| (C) GROUND LEVEL TO TOP OF  |                                       |  |  |                |
| (D) ROTARY TABLE TO TOP OF  | KELLY BUSHINGS                        | 11.00  | <del></del>                            |                |
|   |                                       | 1.00   | <del></del>                            |                |
| A+B   | +C+D) CASING LANDE                    | ED A 336.15                                    | FT. KBM                                |                |
| CENTRALIZEDO AT   |                                       |  |  |                |
| CENTRALIZERS AT: 220 43   | 316                                   | 274  |  |                |
| 220 43  |                                       |  |  | <u> </u>       |
|   |                                       |  |  | - <del></del>  |
| CASING LEFT ON RACKS  | its.                                  |  |  | · <del></del>  |
| jts.  |                                       | *  |  |                |
| jts   |                                       | ***  |  |                |
|   |                                       |  |  |                |
|   |                                       |  |  | /              |

CEMENT DETAIL

|   |   |                                      |                                    | FIRST STA                                      | <u></u>      |             |                 |          |            |
|---|---|--------------------------------------|------------------------------------|--|--------------|-------------|-----------------|----------|------------|
| 420 Gal. (  | water /   | ) @                                  | 8.30 lb                            | gal CEMI                                       | ENTED w/_    | 177         | sks of _        | CLAS     | \$ "G"     |
| with  | 15 cu. Ft/sx  |                                      |                                    |  |              |             |                 |          |            |
| YIELD:  | cu/Ft/sx  | WT:                                  | b/ga                               | DISPLAC  | CED          | bpm v       | w/ <u>22,</u> 5 | bbls (   | water /    |
| CIRCULATED  | Y/ ) F  | hr (s)                               | CASING                             | <u>)25                                    </u> | FLOAT EQ     | UIP. ( d    | lid /           | ) но     | LD         |
| CALCULATED  | CMT, TOP:   | SURFACE                              | EM                                 | ENT IN PI                                      | ACE          | 16:00       | 1 1             | om )     |            |
| _(  | Circulated 4 bbl                                    | s cement to pi                       | t. Full returns                    | throughout.                                    | cementing w  | itnessed by | , ,             | piii )   | ,          |
|   | 7   | JAMIE Sappe                          | er with Vernal,                    | Ut. Bureau o                                   | of Land Mana | nement off  | · /             |          |            |
|   |   |                                      |                                    |  | /            | gernent on  |                 |          |            |
| SECOND STA  | GE  |                                      |                                    | <u>,                                    </u>   |              |             | /               |          |            |
| Gal. (  | water / muc   |                                      |                                    |  |              | s           | ks of _         |          |            |
| Gal. ( with YIELD:  | water / muc   | WT:                                  | /gai                               | TAILED   | in _         | s           | ks of _         |          |            |
| Gal. ( with YIELD: with YIELD:                                      | cu. Ft/sx   | WT:                                  | /gal                               | TAILED   | in _         | s           | ks of _         | hhls ( w | vater / mi |
| Gal. ( with YIELD: with YIELD: BUMP PLUG (                          | cu. Ft/sx  cu. Ft/sx  Y / N ) FI                    | WT:<br>WT:_<br>NAL PUMP PR           | /gal<br>b/gal                      | TAILED DISPLAC                                 | in           | bpm v       | ks of _         | hhls ( w | vater / mi |
| Gal. ( with YIELD: with YIELD: BUMP PLUG ( CIRCULATED               | cu. Ft/sx  cu. Ft/sx  cu. Ft/sx  Y / N ) FI  CASING | WT:<br>WT:<br>NAL PUMP PP<br>hr (s)  | /gal<br>b/gal<br>RESS.<br>CASING   | TAILED DISPLAC psi ROTATED                     | in           | bpm w       | ks of           | bbls ( w | vater / mi |
| YIELD:<br>with<br>YIELD:<br>BUMP PLUG (<br>CIRCULATED<br>CALCULATED | cu. Ft/sx   | WT:<br>WT:<br>NAL PUMP PI<br>hr (\$) | /gal<br>b/gal<br>RESS.<br>CASING ( | TAILED  DISPLAC  psi  ROTATEC                  | in           | bpm w       | ks of           | bbls ( w | vater / mi |



JUL 0 3 2000

DIVISION OF CAS AND MINING

FAX NO. 801 359 3940

#### STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

FORM 6

|           | ENTITY ACT             | ION FORM                        |
|-----------|------------------------|---------------------------------|
| Operator: | Wexpro Company         | Operator Account Number: N 1070 |
| Address:  | P. O. Box 458          |                                 |
|           | Rock Springs, WY 82902 |                                 |
|           |                        | Phone Number: (307) 382-9791    |

| API Number   | Well Name                |                      | QQ        | Sec  | Twp                                 | Rng | County |
|--------------|--------------------------|----------------------|-----------|------|-------------------------------------|-----|--------|
| 43-047-33479 | Island Unit V            | Vell No. 60          | SE NE     | 7    | 10S                                 | T T | Uintah |
| Action Code  | Current Entity<br>Number | New Entity<br>Number | Spud Date |      | Entity Assignment<br>Effective Date |     |        |
| В            | 99999                    | 1060                 | 06/2      | 5/00 |                                     |     |        |

| y Assignment<br>fective Date |
|------------------------------|
| CEIVE                        |
|                              |

**DIVISION OF** OIL. GAS AND MINING Well 3 Rng County Twp QQ Sec. Well Name **API Number Entity Assignment** Spud Date Current Entity New Entity Action Code Effective Date Number Number Comments:

#### **ACTION CODES:**

- A Establish new entity for new well (single well only)
- B Add new well to existing entity (group or unit well)
- C Re-assign well from one existing entity to another existing entity
- D Re-assign well from one existing entity to a new entity
- E Other (Explain in 'comments' section)

| G. T. Nimno                     | ,        |
|---------------------------------|----------|
| Name (Pilace Print)             |          |
| Signature<br>Operations Manager | 06/28/00 |
| Title                           | Date     |

Form 5160-5 (June 1990)

(This space for Federal or State office use)

Approved by Conditions of approval, if any:

# UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED Budget Bureau No. 1004-0135

|       |     | Expire | : Marc | h 31, | 1993 |     |
|-------|-----|--------|--------|-------|------|-----|
| LEASE | DES | IGNAT  | ION AN | D SE  | RIAL | NO. |

| 5. | LEASE | DESI | GNA' | TION | AND | SERIAL | N |
|----|-------|------|------|------|-----|--------|---|
|    | 4407  |      | 4.7  | 1    |     |        |   |

|  | U- <del>44</del> 82  |
|--|--|
| SUNDRY NOTICES AND REPORTS ON WELLS  | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME   |
| Do not use this form for proposals to drill or to deepen or reentry to a different   | · · · · · · · · · · · · · · · · · · ·  |
| Use "APPLICATION FOR PERMIT -" for such proposals                                    | NA   |
| OSE AFFERMANCE TO SEE PROPERTY   | 7. IF UNIT OR CA AGREEMENT DESIGNATION   |
| OUDANT IN TRIDUCTO ATT   | 7. IF OHIT OR SA MONEEMENT DESIGNATION   |
| SUBMIT IN TRIPLICATE   | ISLAND   |
| 1. TYPE OF WELL OIL GAS  | 8. WELL NAME AND NO  |
| OIL GAS WELL OTHER   | O. TIELL INVILLATION   |
|  | ISLAND UNIT NO. 60   |
| 2. NAME OF OPERATOR WEXPRO COMPANY   | 9. API WELL NO.  |
|  | 43-047-33479   |
| 3. ADDRESS AND TELEPHONE NO. P. O. BOX 458, ROCK SPRINGS, WY 82902 (307) 382-9791    | 10. FIELD AND POOL, OR EXPLORATORY AREA  |
|  | ISLAND   |
| 4. LOCATION OF WELL (FOOTAGE, SEC., T., R., M., OR SURVEY DESCRIPTION)               |  |
| <i>N</i>   | 11. COUNTY OR PARISH, STATE  |
| 552' FEL, 2396' F&L, SE NE 7-10S-20E (Surface Location)                              |  |
| 600' FEL, 1500' FNL, SE NE 7-10S-20E (Bottom Hole Location)                          | UINTAH COUNTY, UTAH  |
| 12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, I                         | REPORT, OR OTHER DATA  |
|  | E OF ACTION  |
|  | Change in Plans  |
| Notice of intent   |  |
| Recompletion   | New Construction   |
| X Subsequent Report Plugging Back  | Non-Routine Fracturing   |
| Casing Repair  | Weter Shut-Off   |
| Final Abandonment Natice Altering Casing   | Conversion to injection  |
| X Other Well History   | Dispose Water  |
|  | (Note: Report results of multiple sompletion on Well<br>Completion or Resempletion Report and Lag form.)   |
| Attached are the detailed drilling reports for the above well through July 24, 2000. |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  | March Section - Control of the Contr |
|  | RECEIVED   |
|  |  |
|  |  |
|  | 11.11 2.7 2000   |
|  | JUL 2 7 2000   |
|  |  |
|  | DIVISION OF  |
|  | OIL, GAS AND LUMING  |
|  | >  |
|  |  |
|  |  |
| 14. I hereby certify that the foregoing is true and correct                          |  |
| G. T. Nimmo, Operatio  | ns Manager July 24, 2000   |
| Signed Colombia Title  | Date   |
|  |  |

Title 18 U.S. C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictificus or fraudulent statements or representations as to any matter within its jurisdiction.

#### ISLAND UNIT NO. 60

Island Unit No. 60 Wexpro Company 552' FEL, 2396' FNL (Surface) 600' FEL, 1500' FNL (Target) SE NE 7-T10S-R20E Uintah County, Utah API No: 43-047-33479 Lease No: U-4482

Projected Depth: 7660' TVD (8160' MD)

Ground Elevation: 4971' KB Elevation: 4983' ±

Drilling Contractor: True Drilling Rig No. 27

7/23/00:

Day 1

PU BHA in the Uintah formation at 336 ft. (Surface hole), MW:8.4. 2 hrs - skid rig. 2 hrs - NU BOP. 3 ½ hrs - press test BOP w/Single Jack. 2 ½ hrs - PU BHA. Will break tower Sunday morning.G. Ronholdt

7/24/00:

Day 2

Drilling in the Uintah formation at 1550 ft. Drilled 1214' in 17 hrs. MW:8.4 VIS:27 WL:10.5. 1 hr - drilling cement and shoe. ½ hr - test shoe to 11.0 equiv. 1 hr - surveyed. 1 ½ hrs - TOH, LD DCs. ½ hr - handle BHA. 1 ½ hrs - TIH, PU 6 jts DP. G. Ronholdt

JUL 2.7 [33]

Form 3160-5 (June 1990)



#### **UNITED STATES** DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

AUG 14 2000

DIVISION OF

FORM APPROVED Budget Bureau No. 1004-0135

Expires: March 31, 1993

5. LEASE DESIGNATION AND SERIAL NO. U-4486, U-4482, U-4482, U-4482

| SUNDRY NOTICES AN                           |  | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME   |
|---|--|--|
| this form for proposals to dri              | l or to deepen or reentry to a different reservoir.  | .  |
|   |  | NA   |
| SURMIT IN T                                 | PIDI ICATE   | 7. IF UNIT OR CA, AGREEMENT DESIGNATION  |
|   | MIDICATE   | -ISLAND  |
|   |  | 8. WELL NAME AND NO.   |
| WELL X WELL OTHER                           |  | ISLAND PAD NO. 10  |
| PERATOR                                     | · · · · · · · · · · · · · · · · · · ·  | ISLAND UNIT NO. 47, 57, 59, 60   |
| RO COMPANY                                  |  | 9. API WELL NO. 43-047-  |
| AND TELEPHONE NO.                           | ·  | 33475, 33476, 33478, 33479   |
| OX 458, ROCK SPRINGS, WY                    | 32902 (307) 382-9791   | 10. FIELD AND POOL, OR EXPLORATORY AREA  |
| OF WELL (FOOTAGE, SEC., T., R., M., OR SURV | Y DESCRIPTION)   | ISLAND   |
|   |  | 11. COUNTY OR PARISH, STATE  |
| 0S-20E (Surface Location)                   |  |  |
|   |  | UINTAH COUNTY, UTAH  |
| CHECK APPROPRIATE BOX(                      | S) TO INDICATE NATURE OF NOTICE, REPORT,   | OR OTHER DATA  |
| TYPE OF SUBMISSION                          | TYPE OF ACTIO  | N  |
| X Notice of Intent                          | Abandonment  | Change in Plans  |
|   | Recompletion   | New Construction   |
| Subsequent Report                           | Plugging Back  | Non-Routine Fracturing   |
| <del></del>                                 | Casing Repair  | Water Shut-Off   |
| Final Abandonment Notice                    | Aftering Casing  | Conversion to Injection  |
|   | X Other INSTALL FACILITIES   | Dispose Water  |
|   |  | ote: Report results of multiple completion on Well   |
| 1   | SUBMIT IN TI  SUBMIT IN TI  BLL  OIL  OIL  GAS  WELL  PERATOR RO COMPANY  ND TELEPHONE NO.  OX 458, ROCK SPRINGS, WY 80  OF WELL (FOOTAGE, SEC., T., R., M., OR SURVE  OS-20E (Surface Location)  CHECK APPROPRIATE BOX()  TYPE OF SUBMISSION  X Notice of Intent  Subsequent Report | OIL GAS WELL X WELL OTHER  PERATOR RO COMPANY  ND TELEPHONE NO. OX 458, ROCK SPRINGS, WY 82902 (307) 382-9791  OF WELL (FOOTAGE, SEC., T., R., M., OR SURVEY DESCRIPTION)  OS-20E (Surface Location)  CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, TYPE OF SUBMISSION TYPE OF ACTION  X Notice of Intent |

subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Wexpro Company proposes to install production facilities at the above location to accommodate the newly drilled wells of Island Unit Nos. 47, 57, 59 and 60. Wexpro will be installed a 6' X 6' culvert pit as a water tank drain on the production tank. Please refer to the attached schematic. The pit will have an earthen bottom and an expanded metal lid. The culvert pit will be regularly maintained so that water drained from the production tank does not overflow.

The tanks on location will be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility. Soil used to construct the containment dike shall not be taken from existing topsoil stockpiles. The culvert pit will be located within the berm of the production tanks. A berm will also be placed around the blowdown tank and will be large enough to contain the contents of the blowdown tank.

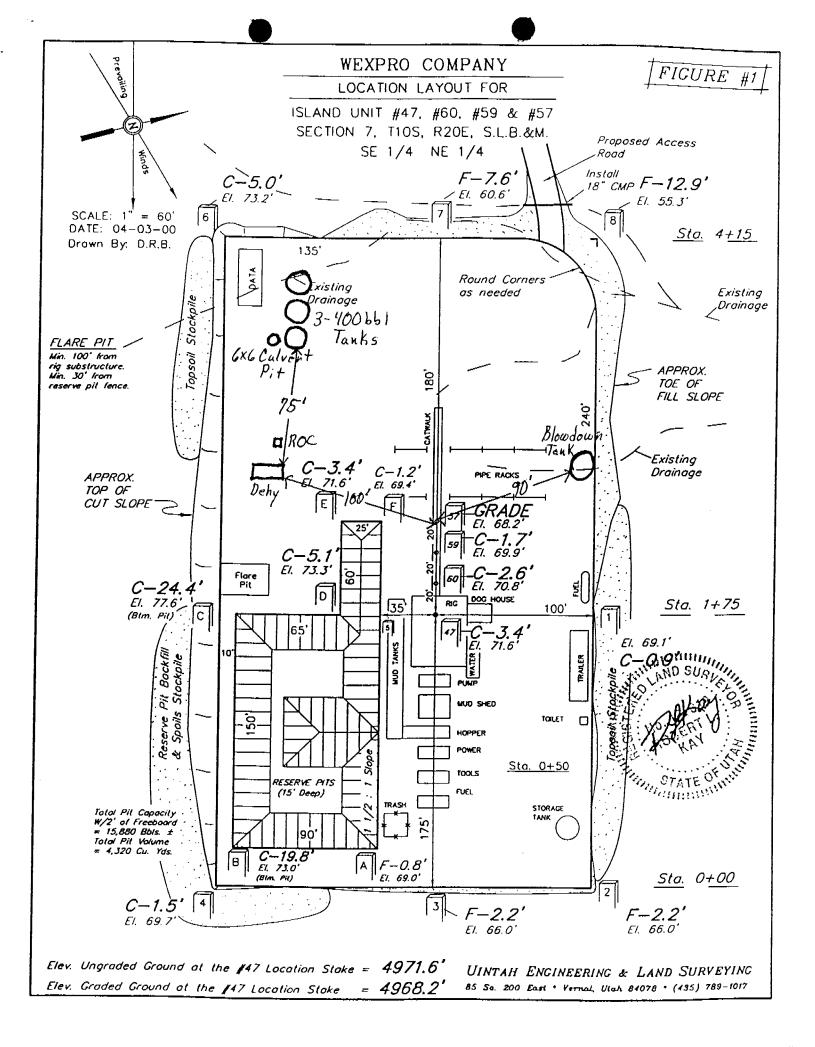
All excess produced water will be collected and hauled by tank truck to the Ace Disposal Pit which is approved by the State of Utah.

| I hereby certify was the stagging is true and correct Signed  | G. T. Nimmo, Operations  | Manager August 8, 200 |
|---|--|-----------------------|
| (This space for Federal or State office use)  |  | **                    |
| Approved by   | Title  |                       |
| Conditions of approval, if any:   |  | Accepted by the       |
| 18 U.S. C. Section 1001, makes it a crime for any person knowing<br>esentations as to any matter within its jurisdiction. | ly and willfully to make to any department or agency of the United |                       |
|   | *See Instruction on Reverse Side                                   | Oil Gas and Mining    |

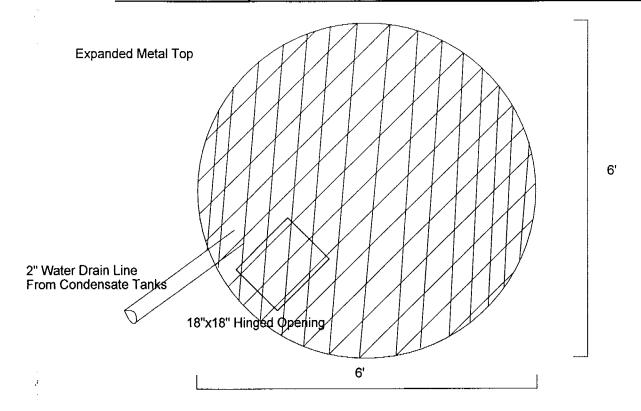
8-16-00

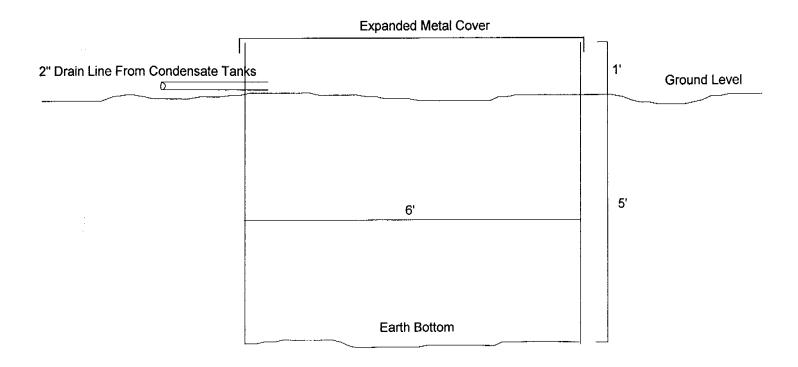
Oil, Gas and Mining

FOR RECORD ONLY



# 6'x6' Culvert Water Drain Pit The 6' X 6' culvert pit is used to drain water accumulations off the oil tank only.





Form approved orm 3160-4 STATES Budget Bureau No 1004-0137 (November 1983) DEPARTMENT OF THE INTERIOR Expires August 31, 1985 BUREAU OF LAND MANAGEMENT 5 LEASE DESIGNATION AND SERIAL NO WELL COMPLETION OR RECOMPLETION REPORT AND LOG U-4482 6. IF INDIAN, ALLOTTEE OR TRIBE NAME GAS X DRY OTHER ta TYPE OF WELL OIL WELL WELL 7 UNIT AGREEMENT NAME ISLAND b. TYPE OF COMPLETION: OTHER 8. FARM OR LEASE NAME NEW X DIFF WORK DEEP-PULG RESVE ISLAND UNIT WELL OVER BACK ΕN 9. WELL NO 2. NAME OF OPERATOR 60 WEXPRO COMPANY 10. FIELD AND POOL, OR WILDCAT 3 ADDRESS OF OPERATOR ISLAND P. O. BOX 458, ROCK SPRINGS, WYOMING 82902 11 SEC., T., R., M., OR BLOCK & SURVEY OR 4 LOCATION OF WELL At surface 552' FEL, 2396' FNL, SE NE Sec 7, T10S, R20E AREA At top prod, interval reported below SURF: 7/10S/20E BH: 7/10S/20E At total dep601' FEL, 1530' FNL, SE NE Sec 7, T10S, R20E DATE ISSUED 12. COUNTY / PARISH 13 STATE 14. PERMIT NO. UTAH 6/9/00 UINTAH 43-047-33479 18. ELEVATIONS (DF, RKB, RT, GR, ETC.) 19. ELEV. CASINGHEAD 16. DATE TD REACHED 17. DATE COMPLETED ( ready to prod.) 15. DATE SPUDDED 4969.2 6/25/00 8/5/00 10/30/00 4968 GR 4980.25 KB ROTARY TOOLS CABLE TOOLS 23 INTERVALS 20. TOTAL DEPTH, MD & TVD 21. PLUG BACK TD, MD & TVD 22. IF MULT, COMPL. DRILLED BY HOW MANY 0 - 7990' MD MD: 7990' TVD: 7858' MD: 7928' TVD: 7796' N/A NA 25. WAS DIRECTIONAL 24. PRODUCING INTERVAL(S) OF THIS COMPLETION - TOP, BOTTOM, NAME, ( MD AND TVD ) SURVEY MADE MD: 5706' - 7884' (GROSS) WASATCH TVD: 5574' - 7752' (GROSS) 27. WAS WELL CORED 26, TYPE ELECTRIC AND OTHER LOGS RUN CNL-FDC, CBL, GR-CCL ---NO CASING RECORD ( Report all strings set in well ) AMOUNT PULLED CEMENTING RECORD CASING SIZE WEIGHT LB/FT DEPTH SET (MD) HOLE SIZE NONE 177 SX G 36 336 9-5/8 12-1/4 NONE 4-1/2 11.6 7990 7-7/8 1215 SX G TUBING RECORD LINER RECORD 30. 29 DEPTH SET (MD) PACKER SET (MD) SIZE TOP (MD) BOTTOM (MD) SACKS CEMENT SCREEN (MD) SIZE 2-3/8" 6209.94 ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC. 31. PERFORATION RECORD (Interval, size, and number) AMOUNT AND KIND OF MATERIAL USED 5706-5722 - .4" - 4 SPF (MD) 6514-6518 - .4" - 2 SPF (MD) DEPTH INTERVAL (MD) 5706 - 5740 (gross) Frac'd w/191,915# 20/40 Sand & 1242 bbl gelled water 5734-5740 - .4" - 4 SPF (MD) 6526-6532 - .4" - 4 SPF (MD) Frac'd w/87,100# 20/40 Sand & 617 bbl gelled water 5836-5848 - .4" - 4 SPF (MD) 7086-7094 - .4" - 4 SPF (MD) 5836 - 5848 7870-7884 - .4" - 4 SPF (MD) Frac'd w/87,264# 20/40 Sand & 618 bbl gelled water 5980 - 5996 5980-5996 - .4" - 2 SPF (MD) Frac'd w/149,245# 20/40 Sand & 992 bbl gelled water 6224-6250 - .4" - 2 SPF (MD) 6224 - 6315 (gross) Frac'd w/137,325# 20/40 Sand & 945 bbl gelled water 6310-6315 - .4" - 4 SPF (MD) 6456 - 6532 (gross) Frac'd w/62,771# 20/40 Sand & 492 bbi gelled water 6456-6470 - .4" - 2 SPF (MD) 7086 - 7094 Frac'd w/63,609# 20/40 Sand & 511 bbl gelled water 7870 - 7884 **PRODUCTION** WELL STATUS ( Producing or shut-in ) PRODUCTION METHOD ( Flowing, gas lift, pumping - size and type of pump ) DATE FIRST PRODUCTION Shut in - waiting on hook up Shut in - waiting on hook up **FLOWING** WATER-BBL

GAS-OIL RATIO GAS-MCF OIL-BBL DATE OF TEST HOURS TESTED CHOKE SIZE PROD'N FOR TEST PERIOD 4936 (load) 10/24/00 - 10/30/0<mark>0</mark> 102 9929 154 various OIL GRAVITY-API (CORR.) WATER-BBL FLOW TUB. PRESS. CASING PRESSURE CALCULATED OIL-BBL GAS-MCF 24 HOUR RATE 1000 24 2137 120 (load) TEST WITNESSED BY 34 DISPOSITION OF GAS (Sold, used for fuel livented, etc.) Larry Jacobson FLARED 35. LIST OF ATTACHMENTS

36 I hereby certify that the foregoing and atta ation is complete and correct as determined from all available records.

SIGNED

TITLE

DIRECTOR TECHNICAL SERVICES

DATE

| FORMATION | тор | воттом | DESCRIPTION, CONTENTS, ETC. | _ |   | -                                    | TOP  |
|-----------|-----|--------|-----------------------------|---|---|--------------------------------------|--|
|           |     |        |                             |   | NAME  | MEAS. DEPTH                          | VERT. DEP  |
|           |     |        |                             | G | Log Tops  UINTAH  GREEN RIVER  BIRD NEST  WASATCH TONGUE  GREEN RIVER TONGU  WASATCH  LOWER WASATCH  MESA VERDE | surface<br>1306<br>2180-2370<br>4410 | 1306<br>2171-235<br>4297<br>4657<br>4803<br>6867<br>7778 |
|           |     |        |                             |   |   |                                      |  |
|           |     |        |                             |   |   |                                      |  |

Form 3160-5 (June 1990)

#### UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

#### FORM APPROVED et Bureau No. 1004-0135

| ı |                                    |
|---|------------------------------------|
| ı | Expires: March 31, 1993            |
| ı | Expans maicist, 1993               |
| ı | 5 TEASE DESIGNATION AND SERIAL NO. |

|  | U-4482  |  |  |
|--|---|--|--|
| SUNDRY NOTICES AND REPORTS ON WELLS  Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME              |  |  |
| Use "APPLICATION FOR PERMIT -" for such proposals  | NA  |  |  |
| SUBMIT IN TRIPLICATE   | 7. IF UNIT OR CA, AGREEMENT DESIGNATION           |  |  |
| 1. TYPE OF WELL OIL GAS WELL X WELL OTHER  | ISLAND<br>8. WELL NAME AND NO.                    |  |  |
| 2. NAME OF OPERATOR WEXPRO COMPANY   | ISLAND UNIT NO. 60  9. API WELL NO.  43-047-33479 |  |  |
| 3. ADDRESS AND TELEPHONE NO. P. O. BOX 458, ROCK SPRINGS, WY 82902 (307) 382-9791  | 10. FIELD AND POOL, OR EXPLORATORY AREA           |  |  |
| 4. LOCATION OF WELL (FOOTAGE, SEC., T., R., M., OR SURVEY DESCRIPTION)   | ISLAND  |  |  |
| 552' FEL, 2396' FSL, SE NE 7-10S-20E (Surface Location)  | 11. COUNTY OR PARISH, STATE                       |  |  |

UINTAH COUNTY, UTAH 600' FEL, 1500' FNL, SE NE 7-10S-20E (Bottom Hole Location) CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Notice of intent Abendonment Change in Plans Recompletion New Construction X Subsequent Report Plugging Back Non-Routine Fracturing Casing Repair Water Shut-Off Final Abandonment Notice Altering Casing Conversion to Injection Well History Dispose Weter

The above well was turned on for initial production on December 20, 2000. Please consider the faxed copy as the initial notification. The original and copies will be mailed.



DEC 26 2000

**DIVISION OF** 

|   |                                  | OIL, GAS AND MINING   |
|---|----------------------------------|---|
| 14. I hereby certify that the top top the true and correct Signed   | G. Title                         | Г. Nimmo, Operations Manager December 20, 2000  |
| (This space for Federal or State office use)  Approved by   | Title                            | Date  |
| Conditions of approval, if any:  Title 18 U.S. C. Section 1001, makes it a crime for any person knowingly representations as to any matter within its jurisdiction. | and willfully to make to any dep | partment or agency of the United States any false, fictitious or fraudulent statements or |
|   | *See Instruction                 | on Payarea Sida   |

<sup>13.</sup> Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Form 3160- 5 (August, 2007)

#### **UNITED STATES** DEPARTMENT OF THE INTERIOR

FORM APPROVED OMB No. 1004- 0137

| (·····································  | 1  | 12 110. 100 .  | 3.3,   |   |   |  |
|---|--|--|--|---|---|--|
| BUREAU OF LAND MANAGEMENT   |  |  | Expires: July 31, 2010   |   |   |  |
| SUNI<br>Do not<br>abando  | 5. Lease Serial No.  U-4482 6. If Indian, Allottee, or Tribe Name  N/A   |  |  |   |   |  |
|   | RIPLICATE - Other Instruc  |  |  | 7. If Unit or CA. A   | Agreement Nan   | ne and/or No.  |
| 1. Type of Well   |  |  |  | UTU06302  | 26X   | Island Unit  |
| · <u></u>   |  |  |  |   | No.   |  |
| 2. Name of Operator   | <u> </u>   | ,  | ·  | Island Ur   | nit   | 60   |
| Wexpro Company  |  |  |  | 9. API Well No.   |   |  |
| 3a. Address   |  | 3b. Phone No. (include   | le area code)  |   |   |  |
| P.O. Box 458<br>Rock Springs, WY 82902  |  | 307.382  | 2.9791   | 10. Field and Pool  | 3-047-334<br>l, or Explorator                                       |  |
| 4. Location of Well (Footage, Sec., T.,   | R., M., or Survey Description)   |  | ;  | 1   | Wasatch   |  |
| 552' FWL, 2396  | 6' FNL, SE NE 7-10S-20E  | (Surface Location  | on)  | 11. County or Pari  | ish, State  |  |
| 600' FEL, 1500' FN  | NL, SE NE 7-10S-20E (B   | ottom Hole Loca  | ation)   | Uintah  | 1   | Utah   |
|   | RIATE BOX(S) TO INDICA   |  |  | RT, OR OTHER  | DATA  |  |
| TYPE OF SUBMISSION  |  | TYF  | PE OF ACTION   |   |   |  |
| Notice of Intent  | Acidize  | Deepen   | X Production ( S   | tart/ Resume)   | Water Sh  | nut-off  |
|   | Altering Casing  | Fracture Treat   | Reclamation  |   | Well Inte   | grity  |
| Subsequent Report   | Casing Repair  | New Construction   | Recomplete   |   | Other   |  |
|   | Change Plans   | Plug and abandon   | Temporarily A  | bandon  |   |  |
| Final Abandonment Notice  | Convert to Injection   | Plug back  | Water Disposa  | al  |   |  |
| Attach the Bond under which the following completion of the involve testing has been completed. Final determined that the site is ready for formal testing the | tionally or recomplete horizontally, g<br>work will performed or provide the<br>ed operations. If the operation results<br>Abandonment Notice shall be filed | give subsurface location<br>Bond No. on file with<br>s in a multiple complet<br>only after all requirent | ns and measured and<br>the BLM/ BIA. Requion or recompletion<br>ments, including recla | true vertical depth<br>uired subsequent rep<br>in a new interval, a<br>mantion, have been | s or pertinent<br>ports shall be<br>a Form 3160-4<br>a completed, a | markers and sands<br>filed within 30 days<br>shall be filed one<br>and the operator ha |
|   |  |  |  |   |   |  |

| 14. I hereby certify that the foregoing is true and correct.   |   |   |  |  |
|--|---|---|--|--|
| Name (Printed/ Typed)  | l   |   |  |  |
| G.T. Nimmo   | Title   | Operations Manager                                      |  |  |
| Signature Julianno   | Date  | October 22, 2007  |  |  |
| THIS SPACE FOR FEDI  | ERAL OR ST                                      | ATE OFFICE USE  |  |  |
| Approved by  | Title   | Date  |  |  |
| Conditions of approval, if any are attached. Approval of this notice does not warra certify that the applicant holds legal or equitable title to those rights in the subject | int or  |   |  |  |
| Title 18 U.S.C. Section 1001 AND Title 43 U.S.C. Section 1212, make it a crin States any false, fictitiousor fraudulent statements or representations as to any matter       | ne for any person li<br>within its jurisdiction | nowingly and willfully to RECEIVED agency of the United |  |  |
| (Instructions on page 2)   |   |   |  |  |

Form 3160-5 (August, 2007)

#### **UNITED STATES** DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

FORM APPROVED

| OMB No.   | 1004- | 0137 |
|-----------|-------|------|
| Evnime: I | dv 31 | 2010 |

|  |  |                                   |                                       | <ol><li>Lease Serial</li></ol> | No.                       |  |  |  |
|--|--|-----------------------------------|---------------------------------------|--------------------------------|---------------------------|--|--|--|
| SUNDRY NOTICES AND REPORTS ON WELLS  Do not use this form for proposals to drill or to re-enter an   |  |                                   | U-4482                                |                                |                           |  |  |  |
|  |  |                                   | 6. If Indian, Allottee, or Tribe Name |                                |                           |  |  |  |
| abandoned well. Use Form 3160-3 (APD) for such proposals.  |  |                                   |                                       |                                | N/A                       |  |  |  |
| SUBMIT IN 7  | RIPLICATE - Other Instru   | ctions on page 2                  |                                       | 7. If Unit or CA               | A. Agreement              | Name and/or No.                                  |  |  |
| 1. Type of Well  |  |                                   |                                       | UTU063                         | 026X                      | Island Unit                                      |  |  |
| Oil Well Gas Well  | Other  |                                   |                                       | 8. Well Name a                 | and No.                   | ····   |  |  |
| 2. Name of Operator  |  |                                   |                                       | Island                         |                           | 60   |  |  |
| Wexpro Company   | <del> </del>   |                                   |                                       | 9. API Well No                 | ).                        |  |  |  |
| 3a. Address  |  | 3b. Phone No. (inch               | de area code)                         |                                | 40.045.0                  | 0.450  |  |  |
| P.O. Box 458   |  | 307.38                            | 2.9791                                | 43-047-33479                   |                           |  |  |  |
| Rock Springs, WY 82902   |  |                                   |                                       | 10. Field and P                | -                         | •  |  |  |
| 4. Location of Well (Footage, Sec., T.,  |  |                                   |                                       |                                | Wasate                    | ch   |  |  |
| 552' FWL, 239  | 6' FNL, SE NE 7-10S-20E  | (Surface Locati                   | on)                                   | 11. County or I                | Parish, State             |  |  |  |
| 600' FEL, 1500' F  | NL, SE NE 7-10S-20E (I   | Bottom Hole Loc                   | ation)                                | Uint                           | ah                        | Utah   |  |  |
| 12. CHECK APPROP   | RIATE BOX(S) TO INDICA   | TE NATURE OF                      | NOTICE, REPO                          | RT, OR OTH                     | ER DATA                   |  |  |  |
| TYPE OF SUBMISSION   |  | TY                                | PE OF ACTION                          |                                |                           |  |  |  |
| Notice of Intent   | Acidize  | Deepen                            | Production ( S                        | Start/ Resume)                 | Water                     | r Shut-off                                       |  |  |
|  | Altering Casing  | Fracture Treat                    | Reclamation                           |                                | Well                      | Integrity  |  |  |
| Subsequent Report  | Casing Repair  | New Construction                  | Recomplete                            |                                | Other                     |  |  |  |
|  | Change Plans Plug and abandon Temporarily Abandon                                |                                   |                                       |                                |                           |  |  |  |
| Final Abandonment Notice   | Convert to Injection Plug back X Water Disposal                                  |                                   |                                       |                                |                           |  |  |  |
| 13. Describe Proposed or Completed Operation (clearly state all pertinent details including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths or pertinent markers and sands. Attach the Bond under which the work will performed or provide the Bond No. on file with the BLM/ BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notice shall be filed only after all requirements, including reclamantion, have been completed, and the operator has determined that the site is ready for final inspection.)  Water produced from the above well will be disposed of in a water / blow down tank as previously approved. |  |                                   |                                       |                                |                           |  |  |  |
|  | will be hauled to the follow   |                                   |                                       | -                              | ny approv                 | cu.  |  |  |
| All excess produced water  | R N Industrie<br>LaPoint Recycle o<br>Dalbo, In<br>er will be hauled by tank tro | & Storage Sec. 1 nc Sec. 02-6S-20 | E - Vernal                            | Point                          | Utah<br>Oil, Ga<br>FOR RI | pted by the Division of as and Mining ECORD ONLY |  |  |
|  |  |                                   |                                       |                                |                           |  |  |  |

| 14. I hereby certify that the foregoing is true and correct.   |                        |   |
|--|------------------------|---|
| Name (Printed/ Typed)  |                        |   |
| G.T. Nimmo   | Title                  | Operations Manager  |
| Signature Ji Munnio  | Date                   | April 24, 2008  |
| THIS SPACE FOR FE  | DERAL OR STA           | TE OFFICE USE   |
|  |                        |   |
| Approved by  | Title                  | Date  |
| Conditions of approval, if any are attached. Approval of this notice does not we certify that the applicant holds legal or equitable title to those rights in the subjewhich would entitle the applicant to conduct operations |                        |   |
| Title 18 U.S.C. Section 1001 AND Title 43 U.S.C. Section 1212, make it a   | crime for any person k | nowingly and willfully to make any department or agency of the United |
| States any false, fictitiousor fraudulent statements or representations as to any mate   |                        |   |
| (Instructions on page 2)   |                        | * *ECEIVED  |

APR 2 8 2008